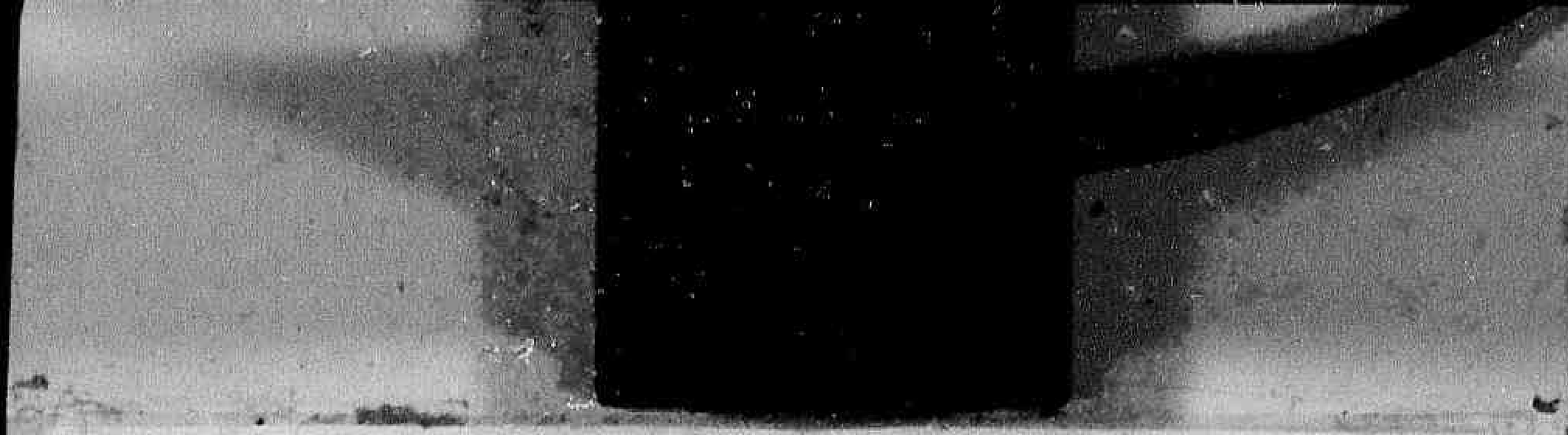

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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

AUGUST 1945

Ref. 824/EC

1 November 1945

HEADQUARTERS ALLIED COMMISSION
APO 394

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CONFIDENTIAL

HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

AUGUST 1945

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POLITICAL SUMMARY

1. There were few political developments of importance involving ITALY during the month with the exception of the signing of the Armistice between the Allies and the Japanese to which the Italian press gave voice with general feelings of gratification. The President of the Council said that he hoped that the end of the war would mean the release of more tonnage for the transport of food supplies, coal and raw materials to ITALY.

2. Measures for the assistance of Partisans and Repatriates were approved, and also the budgets of the various Ministries. The President of the Council made an important statement on VENEZIA GIULIA on 2 August when he received delegates from the area. He told the delegation that he intended to ask the Allies to review the existing conditions under which the Italian Government are powerless to do anything for the inhabitants of the region, which, until declared otherwise, was still a part of ITALY.

3. The National Council of the Christian Democrats met from July 31st to August 3rd. Signor de Gasperi, Secretary General of the party, asserted that the party was desirous for collaboration with SOVIET RUSSIA.

4. Economically the most important news is the restoration of virtually complete freedom of foreign trade to the Italian Government from August 1st with the exception of VENEZIA GIULIA. This has come about as a gradual evolution under the guidance of the Allied Commission. At a meeting of the Council on August 9 and 10 the Ministers approved the proposal for the grant of a wider measure of administrative autonomy to the VAL D'AOSTA. Relations between the State and the Council have been regulated; certain financial provisions were guaranteed together with the free use of the French language. The control of public waters and mines has also been approved.

5. The Council has approved the first list of members of the Consultative Assembly and has passed the decree setting up a commission to study the electoral law which will govern the voting for the Assembly. There was still a good deal of press polemics on the question of whether the elections for the Constituent Assembly should or should not precede the local elections. In the meantime Signor Parri maintained that no progress could be made until the status of ITALY had been finally clarified, and this would inevitably require much time. He insisted that political parties must pledge themselves to a free campaign.

6. Signor Nenni, as Minister in charge of epuration, has decided to turn over to the High Court of Justice for epuration proceedings all Italian senators except those already approved as members of the Concultative Assembly and the new Minister of the Treasury.

7. The Government are very satisfied with the response to the 5% Treasury loan which closed at the end of August.

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PART I/.....

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PART I

REGIONAL REPORTS

LIGURIA REGION

1. The Provinces of LUCCA and APUANIA were turned over to the Italian Government on 4 August with appropriate ceremonies and with many outward expressions of good will towards the Allies. Uncertainty and fear of the economic, social and political future of Italy is still prevalent among thinking and educated people but the Region is slowly returning to normal life; local government shows a continued improvement. and local officials are gaining the respect and confidence of the people

2. The food situation was good during August and the ration scale was maintained. A regular supply of fruit, vegetables and fish was on the open market but prices were very high.

3. With the regular monthly arrival of imported coal and its increased availability in August and also, it is hoped, in September, there were indications everywhere that industrial recovery was gathering momentum and the production programme was beginning to assume large proportions. The Siemens-Martin furnaces located at the ports of entry for coal are well situated for economical production of steel and with sufficient coal will be able to make a real contribution to the economic life of both the Region and Northern ITALY.

4. There were no political demonstrations involving labour and no strikes during the month but there was a further increase in unemployment. At present about 65% of the working population is unemployed.

5. Progress was maintained on the reconstruction of the ports of GENOA, SAVONA and LA SPEZIA. GENOA is now able to accept the original target of 8000 tons a day, sometimes exceeding this figure.

6. Grain collections have been slow and unsatisfactory, only about 700 quintals having been amassed by the end of August. Livestock figures show a reductio of about 50% during the war period.

7. The efficiency and morale of police agencies showed definite improvement and partly as a result of this a number of persons in possession of firearms were arrested. Clothing, equipment and transport are still insufficient but communications and accommodation have been improved. There was a marked decrease in the number of murders, and several arrests have been made. Common theft cases are on the increase. The general security situation is normal, the few demonstrations that there were bein mainly protests against the high cost of living.

8. Public health in the Region was good. There is a seasonal prevalence of typhoid fever but the peak was reached during the third week of August and a downward trend is apparent. Relatively heavy rains early in August have restored the water supply and made it possible to eliminate all parts of the water system suspected of being contaminated.

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LOMBARDIA REGION

9. All provinces have reported a gradual but steady return to normal life. Mor confidence was shown in the police agencies whose prestige has been increased by a number of detections and arrests, but the public safety situation in several provinces is not satisfactory. Press reports are exaggerated but there is apprehension among the population on the state of public safety when the Allies withdraw. The prison position was virtually unchanged and was by no means satisfactory.

10. Progress has been made on the economic side. Commencing on 22 August a daily train of 28 tankers was put into operation carrying wine between BRINDISI and MILAN. An average of 30 tons a day of war hemp was furnished the LOMBARDIA spinning mills and 9200 tons of lignite were mined at VAL GANDINO mines during the month, representing 75% of the normal production. The Portovaltravaglia factory near MILAN

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will start production of about 4000 square meters of window glass daily in September Comparatively few disputes involving stoppage of work were reported during August but there were further indications of labour unrest over wage rates and high living costs. The electric power situation was good and power loads are increasing; rationing may, however, be necessary in January and February of 1946 if the gas plants are not put into operation. A reserve of about 1700 tons of imported grain and 250 tons of imported flour has been stocked for the Region but exporting Provinces have not met their consignment obligations. The wheat estimate for LOMBARDIA was 1,750,000 quintals of which 831,487 had been collected by 25 August. Rains during the month have considerably improved forage and late corn production and the rice crop in particular shows promise.

11. Public health on the whole has been good but there have been sporadic cases of typhoid fever mainly due to water shortage and the consequent use of polluted streams. Total vaccination is being carried out throughout the Region. 15,000 mufflers were distributed without charge to hospitals and institutions in MILAN City and some provinces, and continued assistance is being given to the new Ministry of Post War Assistance and other Italian welfare agencies in re-establishing their work in LOMBARDIA Region.

12. 97,945 refugees and displaced persons passed through LOMBARDIA camps during August, of which 43,800 were internees from Southwest GERMANY and FRANCE received through CHIASSO. In all, 184,205 persons have been recorded in the Region, of which 58,897 were ex-PWs who have now been demobilized.

13. 134 cases were disposed of by the Extraordinary Courts of Assize during the month, 14 death sentences being imposed, three of which were executed. Advantage is being taken of D.L.L. 234 to convene a special court for dealing with cases of armed robbery. Sentences of 23-25 years were imposed on 4 youths convicted last week. All courts are functioning normally.

PIEMONTE REGION

14. Various political parties were active during the month and the jockeying for position amongst the parties undoubtedly detracted from the general efforts towards reconstruction. General feeling towards the Allies has remained favorable and the confused state of Italian politics has increased the desire among a considerable section of the population for the Allies to remain in ITALY.

15. The food situation was good and the ration has been maintained; in addition, large quantities of fruit and vegetables were made available.

16. The assessing figures have shown improvement. Large quantities of wheat are being collected and the public and officials are now beginning to realize their responsibility in this matter.

17. Labour offices continued to gain the confidence of the employers and organized labour, and it is due to their activities in the conciliation of labour controversies that a number of strikes have been avoided and labour relations have remained, on the whole, amicable throughout the Region.

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18. The latest unemployment returns show the following figures: registered unemployed, 18,712; surplus workers (schedule less than 40 hours weekly), 178,596; surplus workers (in excess of 48 hours weekly), 103,799.

19. Progress in housing is far from satisfactory. The material situation is, as last month, still a great handicap and the Sindaci of the various communes are not sufficiently aggressive to force the various yards to give up the material. Dealers are reluctant to sell since the market is rising.

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20. Practically all electric plants, lines and sub-stations in PIEMONTE which were damaged have been repaired and such repairs that have not as yet been finished, should be completed within a month.

21. There has been a marked reduction in crime but cases of robbery and hold-u are still numerous. Determined efforts by police to effect arrests are meeting with some success. 3500 pairs of boots, 1,000 blankets and other equipment were secured during the month for the CCRR in the Region and each serving member will shortly be provided with an automatic weapon. The local military commander, who is rendering

valuable assistance in public safety work, has attached a truck with wireless equipment at each of the six isolated CCRR stations. Contact is being kept with troops who assist CCRR in dealing with bandits and serious crime in which firearms are used. A large number of arrests has been made. Special courts of assize tried 136 cases. There were 9 death sentences and 38 acquittals and 14 cases were continued or transferred. There were various disturbances at sittings of special courts of assize but police action avoided serious trouble.

22. The health of the population is good but there has been a substantial increase in the number of typhoid fever and tuberculosis cases.

VENETIA REGION

23. There was considerable activity among the political parties but all have shown reasonable restraint. Relations between AMG, Prefects and C.L.N. continued to run smoothly and all provinces report an improvement in public morale. There were still many cases of armed banditry but these were nearly all based upon motives of robbery, the political killings and vendetta murders having noticeably declined. The signs, apparent by the end of the month, that further British troops would move into the area for the autumn, had a further steadying effect. The condition and morale of the carabinieri and other police agencies continues however to be a matter of concern and clothing, boots and equipment are still in very short supply.

24. The compilation of electoral lists is proceeding slowly but satisfactorily.

25. On the economic side progress has been made. More shops were re-opened and more goods appeared for sale, usually at high prices. There was, however, no sign of an upward curve in prices: fruit and vegetables prices were steady throughout the month and in some cases declined. Distribution of food proceeded normally but both salt and firewood were in short supply. The limitations of the allocation of coal will seriously reduce the activity of the cement, fertilizer, metallurgical, glass and food processing industries with resulting unemployment.

26. Good progress was made in the clearing of bomb damage and in repairing roads and bridges. Many further rebuilding projects were approved and will be commenced shortly: it is hoped that these projects will contribute substantially towards solving the problem of unemployment which is assuming serious proportions especially in TREVISO, BELLUNO and UDINE Provinces. This problem is aggravated by the return of ex-POWs from GERMANY but there were no serious labour disturbances during August.

27. Considerable improvement was effected in the assessing of grain but the region's food supply was badly affected by a cyclonic storm of unusual violence which swept across the Provinces of TREVISO, VICENZA and VERONA on the 8th of August, doing great damage to the maize crop and to the vines and fruit trees. The damage caused by this storm and a previous one which took place on 30 June is estimated at 1,337,000,000 lire.

28. Particular attention is being given to the strengthening of provincial agricultural committees which are now functioning well in most provinces; their value has been fully demonstrated by the improvement in the assessing figures. Forage

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28. Particular attention is being given to the strengthening of provincial agricultural committees which are now functioning well in most provinces; their value has been fully demonstrated by the improvement in the arassing figures. Forage production was greatly advanced by recent rains and the region as a whole should produce sufficient for its requirements. The grape harvest shows every indication of being of average production and of better quality than usual.

29. 58 Superior and 253 Summary Courts have been held. The majority of the former are for possession of arms and sentences have stiffened. The latter are mostly for wrongful possession of WD property.

30. The health of the population has been good although a few cases of typhoid and paratyphoid fever, dysentery and malaria have been reported.

31. Owing to the nearness of the debated ground and to the presence in VENICE of a number of refugees from ISTRIA, the question of VENEZIA GIULIA always remains a topic of strong local feeling. The majority of the people spoken to will be prepared to agree to the handing back to YUGOSLAVIA of a major part of Slovene-speaking VENEZIA GIULIA provided always that the Italian character of TRIESTE be fully maintained. There are, of course, others who insist on the retention of what they call "ITALY's natural frontiers."

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32. Political activity during the month has been largely aimed at non-coöperation with Allied Military Government. Local government has, since the enforcement of the plan for re-organization under General Order No. 11, met with innumerable difficulties from the Slovene and Communist parties but the situation is clearing in view of the firm stand taken by the AMG in this matter.

33. The functions of the Civil Police Force are still being carried out by Allied Provost units but every effort is being made to equip and clothe the Civil Police which is in process of forming. There have been few public disturbances and little crime or rioting; six murders have been reported of which only one appears to be politicel.

34. The ration situation remains stable but meat is very scarce and the meat ration will have to be discontinued unless further supplies become available. At 30 August 600 tons grain, 768 tons flour and 2655 tons of mixed supplies were on hand but the amassing programme is proceeding unsatisfactorily and the Slovene element is openly obstructive over the amassing regulations, little more than half of the target figure of 10,000 quintals having been collected to date. Great hardship is caused through lack of forage, much of which has to be imported in this area. The Land Reclamation Project, much publicized in the local press, continued to progress.

35. The labour situation is greatly affected by internal trade union disorder and by lack of employment and raw materials. Rehabilitation programmes are being put into operation and it is hoped that this work will absorb many unemployed. Considerable progress is being made in the maintenance and repair of roads, bridges and TRIESTE harbour, while pill-boxes and road blocks are being rapidly demolished. The Bomb Disposal Squad is actively engaged and working very satisfactorily.

36. Public health has been good and there is a complete absence of any serious epidemic. The local administration is, however, still very bad and certain committees, such as Maternity and Child Welfare, are virtually at a standstill. Substantial medical supplies have been received during the month from Allied source

37. Between 1st and 26th August 11,647 persons passed through the Refugee Centres, of which 6,579 were displaced civilians and 5,068 Italian PWs. The main problem at the moment is the disposition of the "stateless" Italian civilians whose homes are in that part of VENEZIA GIULIA occupied by the Yugoslav authorities. A holding centre for them is going to be established in the north of ITALY.

38. 243 charges, involving 213 accused, were heard by Summary Court and 31 persons were tried by the Superior Courts; 81% of these charges arose from disagreements of a political or national nature. Epuration continued and 1444 completed Schede Personale have been received by the Commission. With the exception of those in GORIZIA, civil courts are holding regular sessions.

39. The telephone circuit to FIUME and all towns in Zone "B" and to POLA ceased to function having been cut off by Yugoslavs.

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40. News is being disseminated from Allied Military Government, VENEZIA GIULIA at an increasing rate. Weekly radio programmes are to begin in Slovene and Italian early next month. The press conferences held once a week have proved extremely successful and have received much favorable comment in the area.

AMG NAPLES CONSOLE

41. The end of the war with JAPAN provoked little comment amongst the people of NAPLES. There has been little political activity during the month but there was some agitation among returned PWs and other refugees assembled in NAPLES [illegible] 3403 clearance projects have been accelerated to give these men employment.

42. The first amassi returns were poor as compared to the amount amassed by the same date last year. These poor returns are not only due to the drought which has damaged many crops but also to the farmers who are demanding increases in price.

43. Salvaged garments and boots and material for the repair of 50,000 pairs of boots have been handed over to the Italian Government I.C.D.

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44. There is much discontent and uneasiness among the working population caused by the employment of large numbers of German PWs in NAPLES. There were 16 strikes lasting only one to three days during the month; the majority of these strikes were for increases in pay and there were no incidents.

45. The water situation is becoming more acute particularly as the civilian population have no sense of water discipline and storage in NAPLES is inadequate.

46. Prisons are still overcrowded.

47. There has been a marked decrease in smallpox and typhoid cases during the month.

48. Hospital staffs struck for higher wages. The strike lasted 48 hours.

49. Truck pools are working satisfactorily under Italian Government control, and a cut in military allotments has eased the shortage of rail cars.

AMG LIVORNO ZONE

50. All political parties are actively carrying on their propaganda, holding numerous conferences and public assemblies. All political meetings have been orderly and well disciplined.

51. The full use and expansion of economic resources has been retarded mainly because of the lack of raw materials and fuel, principally coal.

52. The food situation has been unsatisfactory. There were fewer non-ration foods than last year on the market due to the drought and the fruit and olive crop have also suffered from lack of rain. Tillage has been prevented by extensive mines Amassing estimates showed that the crop will fall about 40% below the figures shown last year.

53. There has been an improvement in the electric and gas services and in the water supply although in the case of the latter the situation in PISA and LIVORNO is still critical.

54. Road blocks, check points and roving motorbicycle patrols in the LIVORNO zone made up of military police, carabinieri, and other public safety agencies and Allied army units were successful in rounding up 4 counterfeit operators, holding over 5,000,000 lire in forged currency, 12 fugitives from justice, and 2 escaped German PWs; several persons in possession of WD property were also arrested.

55. Over 25,000 displaced persons passed through the LIVORNO Refugee Staging Area during the past month.

56. A few cases of undulant and typhoid fever have been reported but public health in the Region has otherwise been normal.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

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and a cut in military allotments has caused the shortage of rail cars.

AMG LIVORNO ZONE

50. All political parties are actively carrying on their propaganda, holding numerous conferences and public assemblies. All political meetings have been orderly and well disciplined.

51. The full use and expansion of economic resources has been retarded mainly because of the lack of raw materials and fuel, principally coal.

52. The food situation has been unsatisfactory. There were fewer non-ration foods than last year on the market due to the drought and the fruit and olive crop have also suffered from lack of rain. Tillage has been prevented by extensive mines Amassing estimates showed that the crop will fall about 40% below the figures shown last year.

53. There has been an improvement in the electric and gas services and in the water supply although in the case of the latter the situation in PISA and LIVORNO is still critical.

54. Road blocks, check points and roving motorbicycle patrols in the LIVORNO zone made up of military police, carabinieri, and other public safety agencies and Allied army units were successful in rounding up 4 counterfeit operators, holding over 5,000,000 lire in forged currency, 12 fugitives from justice, and 2 escaped German PWs: several persons in possession of WD property were also arrested.

55. Over 25,000 displaced persons passed through the LIVORNO Refugee Staging Area during the past month.

56. A few cases of undulant and typhoid fever have been reported but public health in the region has otherwise been normal.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

57. There has been little political activity in the area during the month. All prefects were satisfied with the preparations of electoral lists for the coming elections but the greater part of the population took little interest in the proceedings.

58. Rations are being regularly distributed in all provinces but there is a scarcity of fats both for cooking and eating. Farmers are reluctant to amass their grain this year on the pretext that the Government price is insufficient. Olive trees and vines have suffered from the drought and the shortage of fodder for cattle continued. The price of hay and straw is now prohibitive.

59. There is a serious unemployment problem: farmers are reluctant to employ additional men and in some cases whole farms have been forcibly occupied by labourers and peasants in the villages.

60. Details of the disturbances at MATERA and FERRANDINO during the first five days of August are reported on page 12. There seems to be little political significance in these disturbances and they were staged chiefly as a protest against

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the amassing of grain, the issue of ration cards and the inadequate measures existing for the relief of the unemployed.

61. There has been a brisk revival in the wine trade and ships and trains are carrying thousands of tons of wine from the BARI area to Northern ITALY.

62. Public health has been good.

SARDINIA (From A.C. Liaison Officer SARDINIA)

63. Political parties are active in their preparations for the forthcoming elections. In the Communes few able men take political appointments owing to the present unstable political situation and poor financial conditions.

64. Numerous demonstrations were held on the island for increased public works to relieve unemployment. The Ministers of Public Works and Post-War Relief arrived to investigate conditions. Public works projects designed to employ large numbers of workers are already being carried out and many unemployed are being absorbed in this work.

65. Owing to the continued drought and hot winds, crops have matured irregularly and many have been severely damaged. During August, 1,417 head of cattle, 568 horses and 2,421 sheep were exported to the mainland but the only food stock available for export was cheese. 53,238 tons of Sulcis coal were mined, compared to the July figure of 50,091 tons, and of this, 37,670 tons were exported. Exports for the month, excluding coal, totalled 1,307 tons. Imports amounted to 842 tons.

66. Public safety and public health conditions on the island were satisfactory.

67. Transportation facilities between SARDINIA and the mainland have been improved and during the month approximately 1,000 refugees were returned to their homes in SARDINIA from the mainland. Due to a shortage of pastures and forage, it has not been possible to build a staging area at OLBIA for livestock en route to the mainland, and often the sailing dates of the cattle ship are not communicated in time to transport to the port a sufficient number of animals; therefore, shipments for August were not up to expectations, as the ship often sailed half-empty.

68. There was some trouble among the workers brought from the mainland to work in the coal mines, and it was considered better to return some of them to their homes.

SICILY (From A.C. Liaison Officers CATANIA and PALERMO)

69. Separatist headquarters in both CATANIA and PALERMO have been closed but, in spite of a decline in popular support, the movement continues to publish a considerable quantity of clandestine literature. It is not believed, however, that separatism is a strong political factor or a real menace to the present government of SICILY. There is more reason for anxiety at the political indifference of SICILY's presumably better educated citizens, which would seem to be a clear call to the more patriotic working-class citizens to assume political control.

70. There has been no general reduction in the cost of living in spite of the good supply of local fruits and vegetables and its [illegible]

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70. There has been no general reduction in the cost of living in spite of the good supply of local fruits and vegetables and its tendency to increase, especially with the approach of winter, is a continued source of popular dissatisfaction. The grave water shortage has not seriously reduced the production of tomatoes, fruit and vegetables but the grain harvest, as reported last month, has been greatly reduced by the drought and farmers are reluctant to sell their grain to the ammasso at a price less than the cost of production.

71. There have been more cases of malaria and typhoid fever during August than for many months past but other than this the health of the population appears to be satisfactory.

72. The economic situation is deteriorating due to the continued shortage of raw materials and lack of coal. Many plants have been obliged to reduce output so many employees are out of work. The labour market has been further disrupted by the return of servicemen and prisoners, and Provincial Labour Offices report over 40,000

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registered unemployed in Eastern SICILY alone. There have been few industrial disputes and no strikes during August.

73. Reconstruction work is being expanded in an effort to reduce unemployment. Over one milliard and a half lire have been allotted by the Government for public works in SICILY. The health of the population has remained fairly good and there have been no epidemics.

74. Public safety remains the most urgent problem, delinquency is on the increase and country districts are infested with armed bands who resort to robbery, kidnapping, and extortion. The Italian Police authorities are not powerful enough and have not enough men or arms to combat this situation, which can be attributed to adverse economic conditions, unemployment, and unrest in agricultural areas. The public have no respect for authority or the administrative officials. A train was held up at LICATA by 50 bandits, armed with rifles, sub-machine guns and hand grenades. The passengers were robbed of everything, and the shooting resulted in deaths and injuries.

ANCONA (From A.C. Liaison Officer)

75. On August 4th the Commune of ANCONA was handed over to the administration of the Italian Government but as the military situation in ANCONA remains unchanged AMG courts have been retained.

76. The food supply was satisfactory, and the distribution of rationed commodities was regularly maintained.

77. Unemployment increased but a scheme for reconstruction of the city is being prepared: it is expected that all surplus labour will be absorbed when this scheme is in operation.

78. Public health remained at a high level despite shortage of water and over-crowding. Health services are functioning satisfactorily.

BOLOGNA (From A.C. Liaison Officer)

79. There has been no increase in political activity during the month, although the parties are undoubtedly preparing for the elections. It is reported that the Communist Party is losing ground while the Socialists have gained the confidence of the population. The preparation of electoral lists is progressing and the latest date for their completion given by any prefect is the end of October.

80. The food situation is satisfactory, although sugar and fats are in short supply and prices for food remain high. Owing to the prolonged drought, this year's vintage will be well below normal in quantity but the wine will be of excellent quality. Amassing is proceeding satisfactorily. The total amassed to date is 1,805,105 quintals or 84.6% of the expected total.

81. The unemployment problem was not critical but will become increasingly serious as the farm work decreases with the winter months and more labour returns from G[illegible]MANY. Lack of coal for industry and the fact that employers will not be

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81. The unemployment problem was not critical but will become increasingly serious as the farm work decreases with the winter months and more labour returns from GERMANY. Lack of coal for industry and the fact that employers will not be continuing to pay employees who are not working after 30 September will further aggravate the problem.

82. The public works situation was satisfactory but it is feared that the reconstruction of the bridge over the Po in PIACENZA Province will not be completed this year. The high water may render the present pontoon bridge unusable.

83. There has been an increase in the number of cases of armed robbery, 63 cases having been reported. Arrests have been made in 11 instances.

84. The morale of the carabinieri improved considerably but they were still lacking in numbers, transport and POL. A mobile battalion is being formed and 14 tanks have been supplied for this purpose. There is a continual demand in the press and in speeches that partisans be recruited into the police agencies.

85. One case of typhus was reported in the refugee camp at BOLOGNA and there have been a few cases of typhoid and an increase of malaria in FERRARA Province due

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to flooding; with these exceptions public health was good.

86. 65,231 refugees passed through the Region during August. Conditions in the camps have improved and general health remained good.

87. Road and rail communication throughout the Region improved. Telecommunications are improving and the posts operated satisfactorily.

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PART II

CIVIL AFFAIRS SECTION

Mine Clearance

1. Mine clearance in ITALY is now mainly confined to Italian Government territory where the Italian Government are continuing the work started by AC/AMG. There is however a number of mines in LIGURIA Region where civilians and one company of Italian Engineers are operating.

2. Detailed maps of German minefields in Italian territory have now been received and these should speed up mine clearance work and reduce casualties. These map records will eventually be handed over to the Italian Ministry of War.

LOCAL GOVERNMENT SUBCOMMISSION

3. The Italian Government is at present selecting the Presidents of the Provincial Commissions which are to be set up in AMG territory to decide the disfranchisement of alleged Fascists. Instructions have been issued for the appointment of the other two members who, with the President, constitute the Commission in each province. They will be nominated by the First President of the Court of Appeal from a list of popular judges and then formally appointed by order of the Provincial Commissioner.

4. A representative of the Allied Commission visited the Office of the Penal and Judicial Records (Casellario Giudiziale Centrale) in ROME and reported that conditions there were chaotic and the system employed archaic. The work is particularly difficult owing to the damage and loss of records through war and the fact that much of the population is scattered and the reported inefficient functioning of the Casellario Giudiziale Centrale may ultimately affect the date on which elections can be held. The matter is being taken up with the Italian Government.

5. Extensions of the time limit for the preparation of electoral lists have been granted to 67 Communes in AMG territory; the maximum period of extension granted was 30 days.

6. The Italian Government have completed the appointment of the great majority of the members of the National Consultative Assembly ("CONSULTA"). The relevant Italian decrees include provisions for the appointment of 6 "Consultori" to represent VENEZIA GIULIA. These decrees have not been implemented in VENEZIA GIULIA but the US and British Ambassadors have approved that AMG should give sanctio to the implementation of these decrees as an administrative act. A plan for the local government of VENEZIA GIULIA has been approved by C.C.S. The type of government set up under this plan reproduces the Italian system under another name.

EDUCATION SUBCOMMISSION

7. Universities and other higher institutions are now, practically without

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EDUCATION SUBCOMMISSION

7. Universities and other higher institutions are now, practically without exception, epurated and re-organized throughout the North. Building repairs are under way for damaged universities and schools in all Regions and projects are drawn up for long-term construction. Epuration of schools in Northern ITALY proceeded under General Order No. 35; in no Region has epuration been completed, but commissions are being urged to speed the work.

8. Owing to lack of fuel, LOMBARDIA and VENEZIE Regions are arranging to open the autumn term early in order to allow schools to close during the severe weather.

9. Progress has been made toward opening schools in the German language in BOLZANO; Swiss textbooks have been selected and prices for printing obtained from BERNE. The intransigent attitude of the National Liberation Committee in VENEZIA GIULIA is causing difficulties but remarkable progress has been made; arrangements have been made to facilitate the transfer to Italian provinces of teachers who formerly taught in territory now under Yugoslav jurisdiction.

10. AFHQ has completed its survey of school requisitions showing that of 663 schools which were still under requisition on 1 August, 232 will have been derequisitioned by 1 October. An AFHQ Administrative Memorandum is in preparation ordering commanders to derequisition educational facilities at the earliest possible date.

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The worst requisitioning problems are in four provinces in VENEZIE Region: in BOLZANO City every school is partly or wholly occupied.

11. The Allied Commission has presented a detailed study of Italian education, its history and present organization, to the Minister of Education. The plans for a central reference catalogue of all ROME libraries to enable both Italian and foreign students to avail themselves of the rich but scattered and badly catalogued materials progressed satisfactorily.

12. The Minister of Public Instruction has set up a 500,000 lire fund to put into effect an arrangement made with the Library of Congress for purchase of books in AMERICA for Italian universities and libraries to the extent that the Library of Congress can use books to be purchased in ITALY. The British Council has worked out a different plan, setting up a credit of 200,000 pounds sterling in GREAT BRITAIN, balanced by British Council and Embassy expenses in ITALY and earmarked for book purchases through commercial channels. The British Council has also provided four scholarships for Italian students to GREAT BRITAIN and the Minister of Public Instruction has nominated the students. A considerable fund has been raised for scholarships for Italian advanced students who wish to study in the UNITED STATES.

LEGAL SUBCOMMISSION

13. There has been a general decline in the number of AMG court cases throughout all regions. Cases of possession of arms are still numerous and illegal possession of Allied property is prevalent among civilian employees in the port areas. General courts were held dealing with murder and counterfeiting.

14. The Italian courts in the North, though understaffed, are functioning normally

15. Courts-of-assize procedure was modified, with the approval of the Allied Commission, by DLL No. 466 of 2 August 1945 rendering proceedings more speedy but increasing the amount of personnel needed for bench and the prosecutor's office.

16. RLOs have been instructed to request Italian judicial authorities to transfer trial cases to other courts where local feelings would be likely to prevent impartial justice being done. A number of death sentences have been confirmed by the Minister and CinA and executions have been carried out.

17. The Yugoslav authorities have repeatedly requested that a number of alleged Yugoslav citizens now detained in various jails of ITALY be handed over to them: each case has been given careful consideration but no decision has yet been reached. Yugoslav authorities have been requested to carry out the decisions of the Court of Appeal of TRIESTE effecting persons and property situated in territory under their control.

18. On 10 August the Italian Government sent, at the request of the Allied Commission, a circular to all First Presidents stating that membership of the Fascist Republican Army did not in itself constitute an offence.

19. No general orders were issued during August.

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PUBLIC HEALTH SUBCOMMISSION

20. Both the appointment of an Alto Commissario for Public Health and a definition of the functions of this official have been amended by legislative decrees during the month of August.

21. Up to 27 August, 2,402 sick Italian repatriates had arrived at MERANO. This has been much in excess of schedule and the bed capacity of the Hospital Command is strained to its limits.

22. Only one case of typhus (in a refugee) was notified during August. Superior figures both in NAPLES and elsewhere in ITALY have shown a marked decrease.

23. Weekly searches at collecting stations in the TIBER Delta continue to show a very low mosquito density. Although two particular areas have yielded a large increase in figures this is purely relative and causes no concern with regard to malaria transmission.

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24. The infant mortality rates for ROME Communes for July was 99.9 a thousand as compared with 96.9 in June. Deaths from all forms of tuberculosis in ROME during July were 238 as compared with 233 in June.

25. The Welfare Branch has now turned over to UNRRA and ENDSI all problems pertaining to the distribution of food and clothing and 217 tons of blankets have been made available by the Commerce Subcommission for distribution. Increasing responsibility for welfare matters is being turned over to the Italian authorities.

26. ENDIMEA has only just completed the distribution of May supplies in Italian Government territory. The supplies in the NAPLES warehouse have been handed over to the Istituto Commercio Estero, the organization designated by the Italian Government for accepting such supplies. With the dissolution of 2.665 Central Civilian Medical Depots no further requisitions for medical supplies for 1946 have been submitted. The future responsibility for Category "B" medical supplies will be accepted by UNRRA and FEA (Foreign Economic Administration).

27. Veterinary -- It was anticipated that the activities of the Veterinary Branch would cease at the end of August and the Italian Government were notified accordingly. Partial distribution of all veterinary supplies was made and the distribution of the remainder will be effected shortly. No further imports of veterinary supplies will take place. There have been no serious outbreaks of communicable disease amongst animals during August.

PUBLIC SAFETY SUBCOMMISSION

28. There has been a definite improvement in Public Safety this month, apart from SICILY and SOUTH ITALY. In SICILY however major crimes were still very frequent the country districts infested with bandits and the percentage of murders very high. There have been no grave public disorders, but robbery with violence, kidnapping and extortion were common occurrences. Good work in breaking up gangs has been done by the Police Force, but other gangs are quickly formed, and there were two hold-ups of a very serious nature at LICATA (details of which appear on page 8) and ENNA. Dissatisfaction has been general, and the police authorities have not enough power, or enough men and arms, to enforce law and order. In SOUTH ITALY too there has been unrest, for in MATERA province there was a disturbance on 1 August, when about 1000 rioters burned several buildings; the prison was forced and prisoners released. About 1500 people cut communications and set fire to Government buildings at FERRANDINO the following day, and one civilian, allegedly Fascist, was killed by the crowd.

29. Even in the newly handed-over EMILIA the public safety situation was not very satisfactory, and there was a considerable increase in armed robbery. The moral of the Carabinieri however has improved considerably, but they still lacked transport POL, and sufficient men to cope with the situation.

30. In LOMBARDIA, VENEZIE, and PIEMONTE there has been some improvement in the maintenance of law and order, and although many serious crimes were committed, public morale remained at a high standard. In LIGURIA there was a marked decrease in the number of murders, and the efficiency and morale of police agencies showed definite improvement, although clothing, equipment and transport were insufficient.

31. The recruiting and training of the Civil Police for VENEZIA GIULIA is

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31. The recruiting and training of the Civil Police for VENEZIA GIULIA is proceeding satisfactorily. All applicants, of whom there are about 2,000, are being carefully screened and vetted. 140 recruits are undergoing training at the Public School established and should be fully trained and ready for duty by mid-September. Uniforms and equipment unfortunately are in very short supply. It is interesting to note that at the moment the South of ITALY and SICILY are much more turbulent than the North. It is a common practice to expect trouble to originate in the North, but whether it is that the Southern Italians feel the weight of Allied occupation much less than their Northern brethren, or whether economic conditions have been so bad f a much longer period, the fact remains that it is not only the North which must be constantly watched for signs of future trouble, indeed the South may start it first.

32. The Allied Commission during August has been particularly concerned with procuring clothing, arms and equipment for the police agencies. Mobile battalions of carabinieri are being armed and supplied with Italian tanks and British and American Army units are giving training to Carabinieri and their officers in the operation of their new equipment. But there is still a serious lack of proper clothing and

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equipment which hampers efficiency, and transport is urgently required by all Carabinieri legions. It is extremely difficult to enforce law and order under these circumstances, and the need for a strong well-equipped Police Force is becoming increasingly evident and of paramount importance.

PATRIOTS BRANCH

33. The Ministry of Post-War Aid has now taken over Patriot work from the Ministry of Occupied Italy. A hospital at TRENTO is to be put into operation solely for Patriot personnel.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

34. French impressionist masterpieces by CEZANNE, RENOIR, MONET, SISLEY, VAN GOGH and DEGAS, which had been seized by the Nazis from French owners and then "exchanged" to the Fascist Government have been found in FLORENCE.

35. Among important works of art returned to their normal locations in VENICE were the Lion of St. Mark to its column in the Piazzetta, the famous four horses to the facade of St. Mark's and the great TITIAN "Assumption" to the Church of the Frari

36. During August, 37 additional first-aid repair projects were approved in VENEZIE Region, of which the most notable was the Church of the Eremitani in PADOVA.

37. Satisfactory agreement has been arrived at on many points with the Joint Foreign Office and State Department Commission for the intelligent exploitation of certain groups of Italian ministerial archives. Certain limited categories have been selected for separate storage under Allied control, and the Italian Government has been asked to appoint an archivist for technical advice and liaison purposes.

DISPLACED PERSONS AND REPATRIATION SUBCOMMISSION

38. The number of Italians repatriated during August fell short of the original estimate of 225,000 for the month, due almost entirely to the breakdown of bridges over the BRENNER Pass route which is the main USFET to ITALY repatriation route carrying a daily average of 5,000 persons. Only 5,362 persons were received over the BRENNER route throughout the period 11 - 16 August causing a drop of more than 30,000 in the estimated total for the month and a subsequent delay in the completion of the repatriation of Italians.

39. During August approximately 180,000 Italians were returned to ITALY, through the BRENNER and Swiss routes. In addition 4,000 were received by land, sea and air at BARI, NAPLES and TARANTO from GREECE, FRANCE, SARDINIA, YUGOSLAVIA and ALBANIA. A total of 480,000 Italians have been received from GERMANY and AUSTRIA to date. 693,308 Italians have been returned to their homes since January 1944. On 31 August it was estimated that only 75,000 Italians remained to be repatriated from GERMANY and AUSTRIA but this number does not, of course, include any which have yet to come into the American, British and French zones from the Russian areas. It has been agreed with the Soviet authorities to move 60,000 Italians into USFET from a Soviet area north of CZECHOSLOVAKIA and there are a further 15,000 reported to be in the Soviet area in AUSTRIA. There are 1,150 Italians in NORWAY, 90% of whom fought with

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35. Among important works of art returned to their normal locations in VENICE were the Lion of St. Mark to its column in the Piazzetta, the famous four horses to the facade of St. Mark's and the great TITIAN "Assumption" to the Church of the Frari

36. During August, 37 additional first-aid repair projects were approved in VENEZIE Region, of which the most notable was the Church of the Eremitani in PADOVA.

37. Satisfactory agreement has been arrived at on many points with the Joint Foreign Office and State Department Commission for the intelligent exploitation of certain groups of Italian ministerial archives. Certain limited categories have been selected for separate storage under Allied control, and the Italian Government has been asked to appoint an archivist for technical advice and liaison purposes.

DISPLACED PERSONS AND REPATRIATION SUBCOMMISSION

38. The number of Italians repatriated during August fell short of the original estimate of 225,000 for the month, due almost entirely to the breakdown of bridges over the BRENNER Pass route which is the main USFET to ITALY repatriation route carrying a daily average of 5,000 persons. Only 5,362 persons were received over the BRENNER route throughout the period 11 - 16 August causing a drop of more than 30,000 in the estimated total for the month and a subsequent delay in the completion of the repatriation of Italians.

39. During August approximately 180,000 Italians were returned to ITALY, through the BRENNER and Swiss routes. In addition 4,000 were received by land, sea and air at BARI, NAPLES and TARANTO from GREECE, FRANCE, SARDINIA, YUGOSLAVIA and ALBANIA. A total of 480,000 Italians have been received from GERMANY and AUSTRIA to date. 693,308 Italians have been returned to their homes since January 1944. On 31 August it was estimated that only 75,000 Italians remained to be repatriated from GERMANY and AUSTRIA but this number does not, of course, include any which have yet to come into the American, British and French zones from the Russian areas. It has been agreed with the Soviet authorities to move 60,000 Italians into USFET from a Soviet area north of CZECHOSLOVAKIA and there are a further 15,000 reported to be in the Soviet area in AUSTRIA. There are 1,150 Italians in NORWAY, 90% of whom fought with the Germans and these will not be moved until the Italian Government has facilities for their internment. The present rate of repatriating Italians from GERMANY and AUSTRIA is approximately 5,000 a day through the BRENNER Pass, 2,500 a day over the BREGENZ route from SWITZERLAND, and 2,000 a week through ANNEMASSE to COMO; small numbers are coming through BORDIGHIERA from FRANCE. Throughout the month 60,652 Italians have been transported from ROME to destinations in the south of ITALY, and 59,469 have been moved down to ROME from the North. Almost 3,000 Italians have been shipped from PIOMBINO to MESSINA and SARDINIA during the month. The repatriation of Italians should near completion by the end of September although it will not be possible to disperse all to their homes until about the middle of October.

40. In addition to the movement of Italians from Northern EUROPE, Greeks are also being transported from SWITZERLAND through ITALY to BARI for repatriation to GREECE. They are arriving at the rate of about 800 a week and are shipped from BARI to PATRAS. So far approximately 5,000 have been received in BARI of which 4,300 have been repatriated to GREECE.

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41. A scheme is being formulated whereby a sanatorium at LANA, south of MODENA, will be partly used for the hospitalization of Allied National T.B. patients. Ration scale No. 24 was introduced on 1 August for all refugees but there is no supplementar food ration for invalids although young children can be provided with an issue of milk and fresh fruits.

42. Registration continues satisfactorily. On 31 August, 17,646 persons had been registered under the SHAEF system out of a total population of 24,328. By the end of August 1945, 106,220 Displaced persons had been recorded by the Record Bureau. This shows an increase of 10,781 names over the 95,439 registered at the end of the previous month and it is also the highest number of persons to be registered in any single month during the year. 120,754 Italian prisoners of war were repatriated during the month. AFHQ have ruled that prisoners of war can no longer be released as specialists for service in the Carabinieri or Italian armed services.

43. Remittances by Italian prisoners of war in British hands to their families totalled 53,894 pounds sterling. Credit balances of repatriated prisoners of war totalled 43,569 pounds sterling.

44. The Russian Government have stated that 130,000 prisoners of war will be repatriated from the Russian zone in North EUROPE during October.

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PART III

ECONOMIC SECTION

AGRICULTURE SUBCOMMISSION

1. There has been a considerable net reduction in the original wheat production figures. The estimates of wheat have been cut to 2,072,700 metric tons in Central, Southern and Insular ITALY, and for all ITALY 4,090.5 metric tons. Prospects for production of tobacco, potatoes, tomatoes and late beans, especially where the crop is irrigated, continued favourable. At the end of August 694,103 metric tons of wheat had been amassed, 388,216 metric tons in North ITALY and 305,887 metric tons south of the APPENINES. These collections represent 60% of the estimated available quantities for non-producers of wheat. Grain collection increased during the month, although there was an undesirable degree of variation between provinces in the effectiveness of the programme, while others have not indicated adequate support of the programme.

2. The heavy storms in TREVISO Province on 8 and 19 August resulted in considerable damage to corn, forage, grapes and other fruits. In other areas the continued drought has led to fall pasture and forage crops being considerably below normal.

3. The anticipated low olive oil production which normally follows a good year has been further reduced by the drought. Vines have also suffered from drought in Southern ITALY but wine production is expected to exceed 18,900,000 hectolitres in Central and Southern ITALY. Hail storms in some provinces of VENEZIE Region damaged the crops.

4. Livestock continued to be slaughtered at a greater rate than at any time since the liberation, probably due to the continued drought and shortage of forage. The responsibility for captured horses and mules, now on loan to Italian farmers in North ITALY is to be transferred to the Italian Government. Subsequently, the Italian Government will be able to sell the animals to the individual farmer. The livestock census continued in many provinces in the North, in order to identify animals on loan, stray animals, etc., and provide a basis for transfer of ownership from the Italian Government to the farmers concerned. Very few cases of foot and mouth disease have been reported.

5. On 1 August the new training school for forest guards opened at PIAZZA-FORTE with three hundred and sixteen students, mostly Partisans. Arrangements were made to cut timber for 150,000 "sleepers" for Military Railway Service from the Foreste del Circeo of SABAUDIA.

6. A complete survey of the fisheries of VENEZIA GIULIA has been completed. 35,000 rainbow trout eggs are scheduled to arrive by air in November from the United States to restock Italian lakes and rivers. A meeting has been held at the Ministry of Alimentation to discuss the allocation of POL for fishing, as the allocation for the month of September has been so reduced that the motorized craft would be able to

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COMMERCE SUBCOMMISSION

7. Owing to the failure by the Italian Government to recognize the Proclaimed and Statutory lists (details of which can be found on page 16, Finance Subcommission report) complete liberty in Italian export trade activities did not come into force on 1 August as had been previously arranged.

8. 5,000,000 tons of phosphate rock from TUNIS was allocated to ITALY, who was to ship 100,000 tons of pyrites to the French in payment. The refusal of the latter to ship the phosphate has resulted in Italian agriculture lacking fertilizers and chemical plants lacking raw materials.

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9. The 100,000 t[illegible] of wheat which was presented [illegible] ITALY by the ARGENTINE has not yet been allocate[illegible] by the Combined Boards. Howev[illegible], they have agreed to the allocation to the city of GENOA of 4,000 tons of wheat and 1,200 tons of canned meat, offered to that city as a gift by SWITZERLAND. Arrangements are in hand for shipment from LISBON, where the food is now lying.

10. Good progress is reported toward obtaining a regular supply of fish from TURKEY. Four schooners, of about 900 tons each, will probably be released to the Italian Government, to be used exclusively for fish imports from TURKEY.

11. 2,471 bales of cotton cloth from TENERIFFE are being shipped to ITALY.

12. Tin, solder and white metal have been removed from Materials Committee control and are now controlled by the Ministry of Industry and Commerce. Practically all standing timber and felled logs have been made available to the Italian Government for essential civilian needs. About 90% of the leather uncovered in the North has been turned over to the Italian Government, which is working out a scheme of distribution. All plywood less than 6 mm. thick has been released from control.

13. Since June 1945 about 3,000 tyres and tubes have been turned over to the Italian Government to distribute through Michelin and Pirelli warehouses. About 5,000 have been allocated to other Subcommissions, Regions and Government concerns.

14. Export shipments during the month consisted of silk, strusa, books, wine, straw, sulphur and lemon oil, totalling 7,058,159 tons, with a value of 160,781,766 lire.

15. An Italian commission was sent to POLAND and CZECHOSLOVAKIA and a list of exportable commodities to these countries has been received by the Allied Commission for approval. AFHQ have been asked to nominate a responsible body with whom the Italian Government can negotiate in AUSTRIA.

FINANCE SUBCOMMISSION

16. Pay and allowances of public employees in North ITALY have been increased as a result of the implementation of BLL 116 of 13 March 1945. The provisions of BLL 116 were, at the request of the Italian Government, made retroactive to 1 May 1945 with the understanding that all advances conceded to personnel on account of the increases would be deducted. Authority to pay the "Liberation bonus" to State employees was granted in Military Government territory and to industrial employees in Central and South ITALY on 17 August 1945.

17. CCS and AFHQ have approved both non-transactional and transactional communications (postal and telegraphic) between ITALY and RUSSIA, under the same external controls as are in effect between ITALY and the USA.

18. The Italian Government has instructed the Italian Ambassadors in LONDON and WASHINGTON to propose to the United States and British Governments that the Italian Government adopt the Proclaimed and Statutory lists when certain firms have been deleted from these lists. The American and British Governments had formerly indicated that the Italian Government should first adopt the lists after which the deletion of certain firms would be considered. The principal negotiations are being carried out

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19. Final figures for the subscriptions in North ITALY to the new Italian Government Five Year 5% Bonds are not yet available, but it is known that more than 70 billion lire has been subscribed and it is probable that the final total will be in the region of 75 billion lire.

20. It is estimated that for the fiscal year 1944/45 the total actual revenue collected was 46.5 billion lire.

FOOD SUBCOMMISSION

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21. Stocks of food are being built up in some provinces in Central and Southern ITALY as a precaution against irregular arrivals and preparations have been made to allocate stocks of certain foods in GENOA when the Northern Regions are turned over to Italian Government administration.

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22. The distribution of food in Italian Government territory is improving.

23. As the quantity of cereals delivered to the Ammassi is lower than was estimated, a further supplementary requisition of wheat to be loaded in the period October 1945 to June 1946 was prepared. Substantial quantities of wheat have been shipped to the North of ITALY to make up the deficiencies in LOMBARDIA and PIEMONTE Regions.

24. The movement of salt by rail from S. MARGHERITA DI SAVOIA to VENEZIE Region rose from 480 tons a week at the beginning of August to 805 tons at the end of the month. Details of the cistern wine-carrying cars running from APULIA to Northwest ITALY can be found on page 2 (LOMBARDIA report).

25. A standard ration scale for the whole of ITALY showing a minimum disturbance of existing scales has been proposed: for the November/February period the same type of ration card will be used throughout all ITALY.

26. A tour of the Northern Regions was made to obtain statistics on which to base and control the planning and distribution of food as well as to obtain a basis on which to compute prices.

27. 694,103 metric tons of wheat have been amassed, and 52,963 metric tons of olive oil.

28. It is estimated that sugar production in North ITALY will only be about 26,000 tons and supplies may have to be imported. Arrangements for the distribution and use of the 43,070 tons of molasses in stock in North Italian plants have now been drawn up.

INDUSTRY SUBCOMMISSION

29. The Italian Government has assumed almost entire control of industry in Government territory, whilst in AMG territory the North Italy Industrial Council is beginning to get into its stride.

30. 11,600 tons of brass will be available to the Italian Government from Allied Forces sources for conversion into copper resulting in a production of 30,000 tons of copper sulphate.

31. Negotiations have now been concluded for the unloading of the explosive content from salvaged ammunition which will be distributed among the four principal firms engaged in producing pre-war industrial explosives. The disposal of the steel empty shells and miscellaneous scrap metal is still under consideration.

32. The estimated production of Sardinian coal is 53,000 tons for the month; production throughout July averaged 1,930 tons a day. Estimated production of lignite for August was 90,000 tons.

33. Due to increased supply, the rationing of matches was abolished throughout ITALY with effect from 1 September 1945.

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34. Approximately 400 tons of synthetic rubber, carbon black, cord fabric and associated chemicals, requisitioned as a military supply commitment, have now arrived. This material, combined with stocks in MILAN and ROME, is sufficient to start tyre production at Pirelli factory at TIVOLI (ROME) but production will be limited unless supplies of natural rubber arrive. Further quantities of materials are being requisitioned to be paid for from Italian foreign credits.

LABOUR SUBCOMMISSION

35. Details of the implementation of DLL 116 and the payment of the liberation bonus can be found on page 16.(Finance Subcommission report).

36. There is apprehension that the revival of industry and the provision of alternative forms of employment will not be sufficient to meet threatened difficulties in the future. The payment of dole under the MILAN Agreement will continue until 30 September owing to the inability of employers to pay the employees required by this agreement.

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37. To co-ordinate the activities of the various Camere del Lavoro in the North a Northern branch of the C.G.I.L. has been established and a Memorandum has been submitted to the Italian Government by this organization, drawing attention to workers' problems and suggesting remedial action. A delegation of Italian Trade Unionists returned from RUSSIA after one month's tour of industrial centres in USSR.

38. Regional and Provincial Labour Offices have been established and adequately staffed with Italian civilians. Regional Italian Joint Advisory Committees, which consider proposed wage agreements and other labour questions referred to them by AMG, Labour Offices and both employers and employees in industry, have continued to operate satisfactorily. There have been no serious strikes or industrial disturbances during the month and the few small demonstrations which have occurred have been conducted in an orderly manner.

39. Wages of Italian civilian employees of the Allied Forces have been kept in line with local conditions but an inevitable reduction of 14,695 in the number of persons employed by the Allies had had to be made since 14 July 1945. The employment of German prisoners of war in rebuilding what has been damaged during the war has led to considerable criticism from the Italians. They are naturally resentful of the Germans being employed when they are not, and grudge the loss of labour and money which would otherwise be theirs.

PUBLIC WORKS & UTILITIES SUBCOMMISSION

40. Every effort is being made to effect a complete turnover of military highway maintenance to Italian agencies on 1 October 1945 and military units are gradually withdrawing assistance previously rendered to contractors, particularly in transport and materials. General direction of the programme by officers of this Commission will continue. Accumulative figures reflect that 1932 bridges had been completed in ITALY by the end of August. Bitumen supplies are still critically short.

41. Satisfactory progress was made transferring items of machinery and transp from this Commission to the Ministry of Public Works. Approximately 50 additional trucks were received during the month for use by the Ministry of Public Works. Fi arrangements were made for a complete turnover of the operation of all equipment, shops and machinery maintenance facilities to the Italian Government on 1 October.

42. Reports on rehousing progress throughout ITALY are unsatisfactory and it has been arranged for an Engineer Officer to work directly with Ministry officials in an effort to expedite the entire programme.

43. The supply of electrical power for Southern ITALY still remained critical owing to the outage of two generators at SILA, while reconstruction work is hampered by scarcity of materials and transport. The curtailment of civilian and military usage of power will be required through September and part of October 1945 In Northern ITALY the power supply remained satisfactory and no allocation of power was considered necessary during August.

44. An allocation of 15,000 KW was made to the Terni Chemical Works at NERA MONTORO producing badly needed chemicals and fertilizers, as the actual load on th

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44. An allocation of 15,000 KW was made to the Terni Chemical Works at NERA MONTORO producing badly needed chemicals and fertilizers, as the actual load on th system in Central ITALY only totalled 170,000 KW against an allocation of 196,200 KW in August.

TRANSPORTATION SUBCOMMISSION

45. Movement of civilian traffic continued to improve. Railroad civil freigh traffic on the mainland in Italian Government territory amounted to 291,000 tons i July, an increase of 5% over June. Coastwise shipping and schooners accounted for 126,000 tons of civilian traffic, an increase of more than 50% over the previous month. 83,615 refugees were carried, an increase of 7% over the previous month.

46. AFHQ agreed to increase the daily wagon allocation for movement of civili traffic by 25% to 1000 wagons exclusive of wagon allocations for movement of refugees.

47. During the month all rehabilitation operations were seriously delayed by difficulties in obtaining cement, petrol and steel. Line 244 BASTIA-ELIERA was,

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however, completed on 30 [illegible]rust and the strengthening of [illegible]y temporary repairs for [illegible]e winter was well in hand.

48. The Italian State Railways have placed an order for 1000 type L freight cars with FIAT of TURIN. Coke required for the construction of these cars has already been allocated. The car situation was improved by the output of more than 500 freight cars and coaches by private shops under contract to the I.S.R., almost all of which had required heavy repairs.

49. With the release of some forests from military control it is expected that all timber required for the repair of rolling stock and repair of bridges will now be available.

50. Much headway has been made in the introduction of new passenger services. On 23 August, the first connection with Northern ITALY since the Allied entry into ROME was effected with the establishment of a daily service between ROME and ALESSANDRIA.

51. All truck pools and trucks operating in Northern ITALY have now been turned over to the Italian Government. Up to 1 September 1945, 1600 captured enemy vehicles 3,830 Allied trucks and 125 jeeps had also been transferred.

52. Port traffic was effected by restrictions imposed by the Naval authorities in order to facilitate mine-sweeping operations. Port and harbor improvements continued simultaneously and the capacity of the ports has been increased considerabl

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Educational campaigns on democracy in Allied countries were carried out by UNITED STATES Information Service, British Ministry of Information, and Allied Commission. A nation-wide meeting of Italian editors called by ANSA, Italian news agency, took place in MILAN on 21 and 22 August.

2. Press releases in more limited numbers, owing to the scarcity of "live" news and the departure of many correspondents from the theatre, were issued on the general industriel situation, freedom of export trade and turnover of Italian territory. The Review of Allied Military Government and the Allied Commission in ITALY, in both English and Italian editions, has gone to press.

NAVY SUBCOMMISSION

3. The Ministry of Marine has reported that twenty Italian merchant vessels have already been disarmed and the Commander-in-Chief, Mediterranean, has approved the disarming of the remainder of Italian Naval vessels, subject to the convenience of the charterers and operating authorities.

4. Approval has been given by AFHQ for a small party of Italian naval personnel to visit the islands of PANTELLERIA, LAMPEDUSA and LINOSA in the near future for the purpose of mustering any Italian Navy personnel which may be on the islands, and for making a survey of the need and desirability of carrying out port salvage operations by Italian Navy personnel.

LAND FORCES SUBCOMMISSION, AC (MMIA)

5. Italian Guard battalions, which were under the command of the Allies, are now being released in order to form Internal Security Brigades under the Italian War Ministry. It is intended that each Italian Territorial Command on the mainland shall eventually have under its command an Internal Security Brigade, consisting of a Brigade HQ and three Bns (total 2,500 men).

6. The Italian Ministry of War upon the recommendation of Allied Commission prepared a study for a more careful selection, promotion, removal or training of Italian officers. This conforms with the principle of reducing the number, but increasing the quality, of all Italian military personnel, particularly officers and non-commissioned officers. Particular emphasis is being laid on organization and training and more instructors are being trained so that they may efficiently take up their duties in order to deal with next year's call-up.

7. The Italian Ministry of War has been informed that Recovering Commissions are to work under the direction of MMIA LOs who are in a position to secure from the appropriate Allied Command the authority necessary to recover possession of

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7. The Italian Ministry of War has been informed that Recovering Commissions are to work under the direction of MMIA LOs who are in a position to secure from the appropriate Allied Command the authority necessary to recover possession of Italian Army property wherever located.

AIR FORCES SUBCOMMISSION

8. Air Forces Subcommission has now been brought under the newly-formed Mediterranean Allied Air Committee for technical rulings and under the Allied Commission for policy matters.

9. The Allied Commission has recommended to the Italian Air Force General Staff that the operational command at BARI be closed down.

10. Authority has been given to the Fiats works to construct a further 8 G 12s tri-motor passenger aircraft, making a total of 20 aircraft of this type for use by the IAF Courier Service.

11. Conditional permission has been given for all ranks of the Republican Air Force, formerly under house arrest in N. ITALY, to return to their houses as a result of an AFHQ ruling.

12. The policy of permitting Italians at least to plan their civil aviation is now under consideration, at the request of the Allied Commission.

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13. The large number of senior officers in the Italian Air Force, the cessation of all promotion, the increased cost of living combined with uncertainty as to the future all tend to lower the morale of the Italian Air Force.

COMMUNICATIONS SUBCOMMISSION

14. Internal telephone, telegraph, postal and foreign services continued to be expanded. Internal communications are improving rapidly with the exception of telephone circuits between Northern and Southern ITALY where military needs do not yet permit the release of sufficient circuits to provide adequate facilities for minimum civilian requirements.

WAR MATERIALS DISPOSAL & IPW SUBCOMMISSION

War Materials Disposal

15. 8,290 tons of general salvage, 139 scrap vehicles, 7 pontoons and 315 recovered German tires were handed to Italian civilian firms for reconditioning or conversion to items of immediate need.

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Rear Admiral, USNR
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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT
JULY 1945

Ref: 824/20. 17 September 1945.

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MONTHLY REPORT

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POLITICAL SUMMARY

1. The communique issued at the conclusion of the Potsdam meeting referring to the part played by ITALY in the war against GERMANY and promising an early negotiation of the Peace Treaty with ITALY after which her application for a seat amongst the United Nations would be supported by the "Big Three" gave widespread satisfaction.

2. The opinion of the Italian public on the declaration of war against JAPAN on 15 July was almost entirely favourable, being regarded as a proof of the solidarity between ITALY and the Western Democracies. The reaction to ITALY's recognition of the new Polish Government, reported on 8 July, was also generally favourable, although some regret was expressed that this step should have been taken after the new Government had been recognised by the "Big Three" and therefore appeared to lack Italian initiative.

3. The outcome of the British General Election was generally interpreted as a development of the greatest importance to ITALY and the Left Wing parties hailed the move to the Left as an augury of better treatment for ITALY and a greater comprehension of her difficulties.

4. The organisation of the two Ministries for the "Constituente" and "Consulta" under Signor NENNI and Signor BROSIO respectively, has been under consideration. The Council has approved the draft decree for setting up the Ministry of the Constituent Assembly and has outlined its functions. The new Ministry is charged with the preparation for the convocation of the Constituent Assembly and with drawing up a programme for the new political order of the State and for ITALY's social and economic future. A commission for the study of the election laws will also be formed within this Ministry. On 18 July the Council approved the decrees setting up the Ministry for the Consultative Assembly and the Ministry of Post War Relief. Some criticism has been made of the preponderance given to Committee of National Liberation representatives on the "Consulta". These will probably have an absolute majority with over 200 delegates, as against the 20 seats allotted to the three Opposition parties and to other categories.

5. Signor NENNI was also appointed High Commissioner for the Punishment of Fascist crimes and has obtained the approval of the Council to a decree simplifying the administration of this office. Under the new arrangement there will be only three branches; epuration, punishment of fascist crimes and liquidation of fascist profits. Each branch will be under the supervision of a magistrate, instead of under a political figure as was formerly the case.

6. On 27 July the decrees laying down the functions of the new Ministry of Food and the Ministry of Labour and Welfare were approved and on 28 July the Council agreed to address a formal request to the Allied Governments for

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7. Following a meeting of the Council on 11 July a statement was made re-affirming the determination of the new Government to guarantee special rights for language minorities residing in certain areas in ITALY. These rights include the use of their native tongue in business, in public meetings, in the press, in relations with political and juridical authorities and in schools.

8. The Minister of the Treasury, Signor SCLERI, died suddenly in TURIN on 23 July. He has been succeeded by Senator Federico Ricci, also of the Liberal Party.

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9. On 10 July the Italian Government declared that the preparation of electoral lists in Northern ITALY would begin on 15 July. This would be effected through AMG. It was stated that preparation of the lists was almost completed in Southern and Central ITALY and that those in TUSCANY and UMBRIA, where work had recently started, would be completed in September. All of the political parties appear to be agreed that the holding of elections at as early a date as possible is the most important single political question to be faced at the present time.

10. Disorders in various parts of the country have been a problem both for the Italian Government and for AMG. The situation in APULIA has quietened down.

11. The Congress of the National Council of the Socialist Party took place in ROME from 29 July to 1 August. Ostensibly convened in order to listen to the political report of the Party Executive and to elect new members to the Executive for the ensuing year, the Congress in effect devoted the greater part of its time to the discussion of the need for the creation of a single working-class party. There was practically no discussion of crucial Italian domestic or international issues nor of reconstruction nor of relations with other parties. The Congress was asked to choose between two motions signed respectively by Signor PERTINI, former Secretary of the Socialist Party of Northern ITALY, and by Signori SILONE and SARAGAT. The PERTINI motion, which asked for all the working masses of the country to form a single bloc as soon as possible and urged that all the organisms of collaboration between the Socialist and Communist parties be strengthened and new offices of liaison created, won 76% of the votes. Although there is reason to suppose that many Socialists are still opposed to this policy, an ever increasing drive towards fusion of the two parties may be anticipated.

12. The National Council of Christian Democrats met from 31 July to 3 August. A report of the discussions will be included in the Monthly Report for August.

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PART V.....

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PART I

REGIONAL REPORTS

EMILIA REGION.

1. There has been a general decline in open political activity during the last month, and little change has been reported in provincial administration.

2. The chief commercial shortages in the region are still coal, POL and transport. Production of bricks, tiles, lime and cement is sufficient to cope with local demands and to leave an exportable balance.

3. The food situation is good but, although prices have dropped considerably, they are still far too high for the poorer classes. The weekly cost of living is calculated to have dropped 556 lire a week in BOLOGNA province this month and over 200 tons of food supplies imported in the province have been held for special distribution to refugees.

4. The movement of horses from AUSTRIA to FERRARA has been completed. Cattle in MODENA, REGGIO and PARMA provinces had to be exported owing to the extreme shortage of fodder.

5. Although up-to-date only 59% of the expected total weight of wheat has been amassed, it seems probable that the total estimated earlier will be exceeded. Most crops are suffering from the drought, but the grape and soft fruit harvests are expected to be normal or large.

6. Nearly all banks report a continued excess of deposits over withdrawals and ample funds are now available for investment and loans to industrialists.

7. Progress on all public works has slightly improved, although most projects are still seriously hampered by shortage of transport and, to a lesser degree, by lack of materials. Repairs to water supply, sewage and electrical systems are proceeding satisfactorily, and, owing to the increased number of men employed on this work, unemployment figures of last month have been considerably reduced.

8. The number of killings and kidnappings have decreased.

9. The health position throughout the Region continues to be satisfactory. All provincial school administrations have been reorganised and are headed by competent Superintendents.

10. 88,442 refugees were passed through the camps during July.

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11. Although 3,707 arms of various types were collected during July it is thought probable that sufficient arms and ammunition have been hidden in the mountains to re-arm 50% of the patriots.

12. Road communication is excellent throughout the Region.

13. All displaced works of art have been located.

14. It is thought unlikely that there will be any major disturbances while Allied troops are stationed in EMILIA and while AMG is established in neighbouring Regions. Subsequently the position may change immediately. Although the morale and efficiency of the Carabinieri has improved lately, they are still badly equipped and are unlikely to be able to control any well organised outbreak.

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LIGURIA REGION

15. The people are showing uneasiness over the transfer of LIGURIA to the Italian Government. There is fear of disorders and a lack of confidence in the Italian Government. In IMPERIA Province fear of the area returning to the French after AMG leaves is prevalent. Allied troops took over 14 communes of this province on 10 July.

16. Considerable progress in local government has been made by the Italian officials, but once AMG is withdrawn it is likely that these officials will come increasingly under the influence of the Committees of National Liberation.

17. The supply of rationed food has been satisfactory but prices on the open market are extremely high.

18. Unemployment exists on a large scale but it is hoped this may be alleviated by public works projects, which have been approved on a considerable scale. Recent rises in wages have been offset by rises in prices.

19. Rehabilitation of the ports of GENOA, LA SPEZIA, IMPERIA and APUANIA is proceeding and about half of the port of SAVONA is in operation.

20. Public safety shows an improvement but police agencies suffer from lack of morale, equipment, transport and public confidence.

21. Public health is good and no epidemics have been encountered. Schools are in operation but are handicapped by lack of teachers and buildings.

22. Communications on the whole are good and railway facilities are relieving the transportation problem to some extent. This whole region, however, is normally dependent upon the port of GENOA for its existence and upon tourist traffic and full recovery will have to await the opening of the port, the return of foreign commerce and the revival of industry and of normal travel facilities.

LOMBARDIA REGION

23. The general strike in MILAN at the beginning of July was disciplined and orderly. Great difficulty has been experienced in finding local government career officials with acceptable records.

24. The economic life of the North is gradually reshaping itself in all fields where supplies exist. Silk exporters are planning the export of 150,000 Kg of raw silk; a monthly production target of 8,000 tons of lignite has been attained; rayon and ferro silicon industries are working; 70 railway carriages have been built and 300 carriages and 13 engines repaired. 8263 tons of scrap have been produced [illegible]

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25. The food situation has not improved during July. Extended drought has greatly reduced all harvests, especially those of wheat and corn. It is hoped that the rice crop may be saved.

26. Plans for the completion of public housing projects in MILAN have been approved, while demolition work and debris clearance is well under way in the city.

27. Public health is normal although there has been an increase in cases of typhoid fever. One case of typhus occurred in MILAN.

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28. Approximately 86,260 refugees and displaced persons passed through LOMBARDIA camps.

29. The Region now has a registration of 13,784 efficient trucks with carrying capacity of 25,062 tons.

30. Re-consignment of property to owners has continued. Of the French industrial properties in MILAN city and province, all but 13 have been completed and all private French real estate has been inspected.

PIEDMONTE REGION

31. The various political parties were active during the month. The impending withdrawal of AMF from the Region is causing anxiety in many quarters, as rumour is rife that the political parties of the "Left" intend to assume control by force upon the departure of AMF.

32. French troops withdrew from the remaining occupied areas of the Region on 10 July with the exception of officially approved liaison representatives.

33. Local government administration is satisfactory but pressure has had to be applied to Italian officials to adhere to the Electoral List Preparation Time Schedule. In many communes it will be necessary to grant extensions of time limits owing to the fact that their official records have been destroyed.

34. The food situation has been good but the outlook for the future is serious owing to the failure of the annual programme and to the poor harvest. The fact that there will be no grain flour imports to the Region after 1 August makes a suspension of the bread ration in AOSTA and TURIN likely any time after 1 September.

35. 13,000 tons of coal arrived during the month and have been allotted. Cogne Steel Works and Fiat Works continued to operate despite fuel shortage and Lancia have now commenced production. Unemployed returns show a slight increase with a more substantial increase in numbers of surplus workers due to the slump in industrial activity. Steps have been taken to increase progress on housing programme which is unsatisfactory.

36. Killings and crimes of violence have decreased but it is considered that large numbers of firearms are still held by unauthorised persons for criminal purposes.

37. AMG and Italian Courts are functioning satisfactorily but the Extraordinary Courts of Assise are overworked due to shortage of trained

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37. AMG and Italian Courts are functioning satisfactorily but the Extraordinary Courts of Assize are overworked due to shortage of trained personnel.

38. The health of the civilian population remains good. One case of typhus was discovered in ALESSANDRIA but no further cases have been reported. There has been an increase in typhoid due probably to the scarcity of water necessitating use of insanitary wells.

39. All Patriot Centres were closed on 15 July.

VENEZIE REGION

40. The two most important parties in the Region are the Christian Democrats and the Communists, and the truce between them is wearing very thin. Both Christian Democrats and Liberals purport to be very frightened at the danger of a Communist coup d'etat.

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41. In general the Centre, the industrialists, the Church and the professional classes profess regret at the prospect of withdrawal of AMG in the near future since they think that this is a premature move. On the other hand the two Left parties seem to welcome the thought of the transfer of the territory to the jurisdiction of the Italian Government.

42. Very steady progress towards the organisation of local government was made during July. The ten Prefects continued to work well and relations with the Committees of National Liberation improved. The situation is not, however, stable and with the departure of AMG there is likely to be an attempt by the CLNs to assert their authority over the Prefects. The necessity for trained Questori became apparent and some professional men were brought in from the South of ITALY. Fair progress was made in the preparation of electoral lists. The question of an adequate strength of Carabinieri becomes even more important with the withdrawal of Allied troops. Commander 13 Corps (British) took over the military command of the provinces of UDINE, TREVISO and VENICE from EIGHTH Army on 15 July. An incident which occurred at the SCHIO Prison on 7 July is reported on page Progress was made in equipping the Carabinieri and their morale improved, although it was still low.

43. Italian Courts of Assize continued to function without incident, but their work is slow owing to shortage of judges and is making little impression upon the mass of political prisoners in gaol. The disposal of these political prisoners presents one of the largest problems still confronting AMG in the Region.

44. Substantial increases in wages were made during the month in accordance with the MILAN agreement.

45. Industry is progressing slowly towards recovery but acute unemployment continues owing to lack of coal and raw materials. Plans and projects for the repair of public works and utilities have been examined during the month and work is proceeding satisfactorily.

46. Progress is being made in the epuration of school and university staffs and this should be complete by the end of August.

47. The grain crop was disappointing and amassing has proceeded very slowly. Rains towards the end of the month should improve the maize harvest and the food situation generally is satisfactory. Public health continues to be good.

<u>AMG VENEZIA GIULIA.</u>

48. The political situation has remained quiet in the whole area. The

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AMG VENEZIA GIULIA.

48. The political situation has remained quiet in the whole area. The four parties of which TRIESTE Committee of National Liberation is composed are taking an increasing interest in the affairs of the town. These parties are the Christian Democrats, Political Democrats, the Action Party and the Socialists. In areas round TRIESTE the people are cooperating with the Civil Affairs Officers and it appears that the treatment of the people East of the MORGAN line is being contrasted with that of those in XIII Corps area, to the advantage of the latter.

49. Negotiations have been carried out in TRIESTE between the Slovene Committee, Communist party and the Committee of National Liberation with the object of setting up some form of representative local government on area level.

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50. SEPRAL (Sezione Provinciale Alimentazione), TRIESTE, is now distributing all food supplies for the territory and is working well. New ration scales have been authorised for invalids and other special classes and a price control plan has been agreed which will go into operation in August.

51. Although certain parts of the territory are suffering from the severe drought the agriculture situation generally is better than might be expected. Yields of grain are estimated as only 10% down from last year and no serious inroads have been made on livestock by either Germans or partisans. Shortage of forage and farm labour are the chief difficulties.

52. The labour market remains static pending adoption of the "Cassa Integrazione" plan for unemployment compensation. The increased wage rates, paralleling the Northern ITALY increases, were very well received.

53. Work on public works and utilities proceeds satisfactorily. Two bitumen works have been reactivated, which will be of great assistance in the maintenance and reconstruction of roads in TRIESTE and GORIZIA areas.

54. In general a satisfactory standard of public safety has been maintained throughout the area. The formation of the new police force progresses rapidly and it is anticipated that the first members, correctly trained, will be on duty in TRIESTE on simple police tasks early in August.

55. Initially there was much confusion amongst the social welfare agencies in the area. Four of these are now functioning efficiently. They are:

(a) Ente Comunale di Assistenza - This is operating reasonably well throughout the area.

(b) Italian Red Cross - Functioning in TRIESTE and attempting to reorganise in POLA and GORIZIA.

(c) Yugoslav Red Cross - Functioning in TRIESTE, POLA and GORIZIA. Confines its activities almost entirely to Yugoslav citizens.

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56. Considerable work has been done on property control and on the compilation of lists of displaced persons.

57. AMG courts are functioning well and the position of civil courts has been clarified by a General Order issued on 12 July.

AMG NAPLES COMMUNE.

58. The preparation of lists for the coming election of the Consiglio Provinciale and Consiglio Comunale is progressing normally.

59. The visit of Signor PARRI, the Prime Minister, on 8 July was very welcome. His attention was drawn at a meeting in the NAPLES Chamber of Commerce to unemployment and a request made that the Allies should be [illegible] to derequisition buildings, particularly factories. Signor PARRI spoke of the general unemployment in ITALY and explained the necessity for unity

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between the North and South. The general reaction was that his visit was too brief for so important a centre as NAPLES.

60. There were eight strikes during the month of July, three caused by non-payment of indemnity, four asking for increased wages, and one objecting to increase in working hours. No untoward incidents occurred.

61. NAPLES Commune budget for the quarter July - September 1945 was approximately the same as for the preceding quarter, i.e. 430,000,000 lire - reduced to 375,000,000 lire. This includes 15,000,000 lire for buildings and arrangements in connection with the victualling department of the Commune.

62. Cost of living figures, which have been rising steadily since September 1943, showed a decrease during June for the first time. Comparative figures for an artisan class family of five are given below.

September 1943	-	Lire	4,831
December 1943	-	"	7,299
December 1944	-	"	18,688
April 1945	-	"	27,723
June 1945	-	"	18,777

63. The numbers of refugee civilians and ex-PW awaiting transport to Northern ITALY and SARDINIA continue to grow.

64. A plan for the rebuilding of NAPLES on a broad scale is at last getting under way. This plan will also provide useful opportunities for employment. Health is good and smallpox is declining, slight increase in typhoid is reported. Water scarcity has caused anxiety. The crime and public safety position is unaltered. The tendency towards a reduction in prices and cost of living which had begun to have effect cannot be maintained in the face of general wage increases. NAPLES warehouses are again very congested and there is risk of foodstuffs spoiling.

AMG LIVORNO ZONE

65. While there is some slight undercurrent of unrest, the political situation continues relatively quiet, particularly in AMG territory. Public morale appears to be exceptionally good. Even the LEGHORN and PISA areas, noted for being "hot beds" of activity against orderly government, are surprisingly calm and peaceful. While the bulk of the population seems somewhat apathetic to prevalent political manoeuverings; there is real interest, and some apprehension, regarding the contemplated elections. The apprehension is caused by doubt as to whether the Allies will, or can, properly supervise the elections so as to afford an honest and truly representative vote.

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66. The work of epuration continues efficiently.

67. The food situation was satisfactory, although fewer green vegetables are available on the markets owing to the drought. The extended dry spell has greatly reduced grazing fodder and more cattle are therefore being sold for slaughter, thus easing the meat shortage to some extent.

68. The drought has affected all crops, and has actually ruined a large portion of the potato and bean crops. Current estimates for 1945 grain production in TUSCANY show a decrease of between 30% and 40% on last year's figures. In this connection there is some reason to believe that the grain farmers are using the drought to justify too low assessing declarations. The withdrawal of AMG from TUSCANY removed the only determined supervision over assessing. It is obvious that the Italian officials, from the highest

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provincial level downwards have not been, and do not intend to be, either too alert or too aggressive in controlling the situation.

69. There has been no serious labour trouble as yet, but the number of unemployed is very large which makes the situation difficult. Part of the answer to the problem is in increased public works, and housing projects.

70. The drought has reduced the water supply generally and in LEGHORN especially it is still precariously inadequate.

71. Public safety conditions in the LIVORNO AMG Zone are excellent, but a small crimewave, including holdups by armed brigands, has struck throughout TUSCANY Italian Government territory. Overcrowding of gaols continuedowing largely to the number of political prisoners. The number of arrests by Allied Forces Police Agencies is the lowest on record.

72. Efforts are being made to derequisition two Sanatori in PISA for the treatment of tuberculosis and infectious diseases. There are some cases of undulant and typhoid fever throughout the area, but no epidemics have been reported.

73. While there has been some improvement, the refugee situation in LEGHORN remains difficult. It has however been kept fluid and during the month approximately 30,000 refugees were cleared through LEGHORN, for the South and East of ITALY.

BARI AND SOUTH EAST ITALY (From A.C. Liaison Officer BARI)

74. Persistent drought and heat have seriously affected crops, including olives and vines and, partly owing to uncertainty regarding the future value of the lira, farmers are showing reluctance in amassing grain.

75. The trial of General BELLOMO took place between 23 and 28 July without incident. Action by the Italian Government to follow up the MINERVINO-MURGIA disorders by arresting the ring leaders, recapturing liberated prisoners and confiscating illegally held weapons has met with poor success, due chiefly to the half hearted measures adopted. Only 302 weapons were recovered from persons concerned in the disturbance.

76. There have been two incidents involving British soldiers. One was killed by unknown assailants and the other, who had been involved in a fight with coloured troops, died of injuries.

77. On 21 July three Albanian subjects, sent to BRINDISI to count the number of Albanian ships in use by the Allies, [illegible]

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77. On 21 July three Albanian subjects, sent to BRINDISI to count the number of Albanian ships in use by the Allies, boarded a number of Albanian ships and ordered the masters to proceed to ALBANIA irrespective of sailing contracts. The buccaneers were taken prisoner and their deportation to ALBANIA is being arranged by the Albanian Mission.

78. Throughout the area unemployment figures are high. Bands of unemployed are working on farms without the owners' knowledge and are demanding payment. The possibility of allocating uncultivated ground to unemployed persons is being investigated.

79. Industry generally is hampered by lack of raw materials.

80. Supplies of rationed foods have been regularly distributed and meat is plentiful, since cattle are being slaughtered owing to shortage of fodder and water.

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81. The transport situation in the area is fairly satisfactory. All WD vehicles in SITA and SUD-EST have been handed over to the Italian Government. A total of 1,750 refugees have been moved by rail from the area to various destinations. 2,902 displaced persons arrived at No.1 Transit Camp during July and 2,791 left it. The increase consists chiefly of GREEKS and Stateless JEWS.

SARDINIA (From A.C. Liaison Officer SARDINIA)

82. On the whole the political situation is normal. There has been some increased political propaganda in view of the forthcoming elections and the economic depression has caused some unrest, especially in SASSARI Province.

83. During the first two days of July the Regional Council held its third session and discussed administrative and economic matters. They emphasised the immediate necessity for the shipment of free cotton goods for farmers, which are to be given them in exchange for wheat, since without these it was thought unlikely that the farmers would turn into the granaries the small quantities of grain harvested. Owing to the failure of the harvest, it is believed that there will be a deficiency of about 60,000 quintals to the grain amassed.

84. The export situation improved during July. Livestock was shipped to the mainland for slaughter and arrangements are being made for shipment of animals for stock purposes. Of the 50,091.08 tons of coal mined during the month, 27,840 were exported. The total imports amounted to 1,354.32 tons less than those for the month of June.

85. The unemployment problem is still general in the Province of SASSARI unemployment among bricklayers has become acute. Means of alleviating this problem by putting through public works projects are being studied.

86. The prisons are less overcrowded now, since those prisoners who had terminated their sentences have been returned to the Mainland. Insufficient police forces are available to deal with the public disturbances caused by food and financial crises.

87. No serious epidemics have been reported, but tuberculosis is rife and the treatment available is inadequate. A sum of approximately 10,000,000 lire is needed to continue the treatment of this disease and if this is not forthcoming many cases at present in hospital will have to be released before cure has been effected.

88. Only a few hundred refugees still remain to be shipped and the

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88. Only a few hundred refugees still remain to be shipped and the 1,054 who were repatriated to the Island have all been sent to their respective Communes.

89. The road transport situation has deteriorated and and there is insufficient fuel to meet current needs. Rail and water transport facilities are unchanged. The latter are still most inadequate.

SICILY (From A.C. Liaison Officers CATANIA and PALERMO)

90. The political situation has remained unchanged during the month.

91. The grain harvest has been badly affected by the drought, and estimates for grain to be amassed show a considerable decrease on last year's figures. Grain shipments have, however, continued to arrive regularly and the bread and pasta rations have been maintained at 300 grams a day.

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92. The labour situation in CATANIA is deteriorating due to the return of ex-soldiers - for whom jobs are not immediately available.

93. There is a considerable amount of lawlessness in CATANIA but in other parts of the island the situation has improved.

94. Eight cases of typhus (one fatal) have occurred at LIPARI (MESSINA) and one in the Commune of LENTINI (SYRACUSE). Ninety-three cases of typhoid occurred at PULZZA, ENNA (ENNA). A further two hundred vials of Penicillin have been imported by UNRRA.

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. Epuration is nearing completion in all that part of ITALY which lies south of a line running approximately from CIVITAVECCHIA on the West coast to VASTO on the East coast. In accordance with the epuration decrees of the Italian Government, no new epuration proceedings may be initiated in this Southern area after 15 August 45 and all hearings must be completed by that date. Exception is made in the case of certain officials located provincially and a few classes of persons whose time limit has been extended to 15 November 45.

2. Out of 48,300 persons liable to epuration in Grades I - IX, preliminary investigation has been completed in respect of 43,250 - (90%). The balance which can be epurated provincially consists largely (4,000) of bank, insurance and other finance officers and of teachers (550). Out of 7,520 cases for trial 5,210 (70%) have been completed.

Mine Clearance

3. Two Italian Mine Clearance Companies have been working in EMILIA Region, but the enormous task of mine clearance in this area has only been touched at the fringe. Few civilians have volunteered for this dangerous work and the shortage of equipment, transport and POL have been a further handicap. Casualties have been heavy.

4. A new danger has arisen in the FERRARA, FORLI and RAVENNA area where many of the river embankments and dams, built to hold the autumn and spring floods, have been mined and destroyed through the war destruction. Unless this area can be cleared of mines and the embankments and dams repaired before the beginning of September flooding will take place. The Italian Government estimate that if this task cannot be completed in time 50,000 people will be rendered homeless and their lands destroyed by flooding. A third Mine Clearance Company is being sent to this area.

5. It has been suggested that German P.W. should be made available for mine clearance work.

LOCAL GOVERNMENT SUBCOMMISSION

6. Of the 40 provinces in Northern ITALY under AMG all but those of ASTI, AOSTA and CUNEO have now been surveyed by officers of the Local Government Sub-Commission. The general state of local government was found to be satisfactory and the organs for the preparation of electoral lists are, with few exceptions, functioning.

7. Some requests for an extension of the 100 days' time limit set for the completion of the electoral lists have already been received but it has been decided that extensions will only be granted to those Communes where population

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8. The unofficial dates on which the compilation of electoral lists was begun in AMG Zones in Southern ITALY have been ratified in order to legalize the work already completed.

9. A renewed attempt was made by AC, in a letter addressed to Sig. Parri on 7 July, to persuade the Italian Government to revise the present electoral laws. These were passed in 1915 and are not considered truly democratic. It was hoped that the reaction of the New Government would prove more responsive than that of Sig. Bonomi's Government but, although yet another letter was sent later in the month requesting a reply, no indication of the New Government's attitude, nor, in fact, any acknowledgment, has been received.

10. The Italian Government has accepted and expressed its appreciation of the Allied Commission offer of assistance in the study of the system of the election of the Constituent Assembly.

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EDUCATION SUBCOMMISSION

11. Defascism under Executive Memorandum 67 and General Order 35 was practically completed for all elementary and secondary schools in EMILIA by the time the Region was turned over to the Italian Government; 283 persons were suspended. In other Northern Regions defascism is progressing, especially in PIEMONTE Region where excellent progress is reported.

12. The Minister's Commission has approved over a hundred new manuscripts for elementary school text books, and the Regional text book commissions have approved a number of others. In EMILIA Region distribution of the text books published this last year under the auspices of the Allied Commission totalled nearly 90,000.

13. The number of school buildings still requisitioned constitutes a serious problem in all parts of Italy except in PIEMONTE Region where it is expected that most school buildings will be freed from requisition by September.

14. Epuration of Universities has proceeded satisfactorily and many, including those of BOLOGNA, PADUA and GENOA have now opened.

15. Scouting is progressing in all Regions, some summer camps are under way and training of leaders is proceeding. A number of other youth organizations, some apparently communist-controlled, are starting up.

16. In PIEMONTE 24 summer colonies for needy children have been organized, and 5,000 children are being cared for, some on a day-camp and some on a full time basis for 3 or 4 weeks. The programme includes games, gymnastics, story telling, handwork, singing, and informal lessons.

LEGAL SUBCOMMISSION

17. There has been a slight increase in the number of AMG Court cases in Northern ITALY; the principal offences being possession of arms and Allied property. In the frontier areas there is inevitably a certain amount of illegal travel, while a few cases involving violence have been handled by these courts. Counterfeit currency cases are becoming more frequent.

18. The Extraordinary Courts of Assize have continued. In EMILIA Region much criticism has been directed against the vicious atmosphere in which these courts are operating and against the savagery of certain sentences imposed. Elsewhere in the North the situation is improving and the excitement originally created by these courts is dying down. A large number of death sentences are still being imposed. An Italian decree has been passed modifying the procedure in the Extraordinary Courts of Assize in order to reduce the time limits for appeals, to increase the number of judges available and to force advocates to take part in the work of the Public Ministry.

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19. Italian Courts are now working normally throughout ITALY, though there is an acute shortage of personnel.

20. Many offences have been committed by Italian soldiers on duty in North ITALY and arrangements have been made to set up Military Tribunals in VERONA in addition to MILAN and TURIN.

21. After a long period of discussion the Italian Government has produced a decree formulating principles for the confiscation of profits illegally acquired during the fascist regime. The decree is far reaching in scope.

PUBLIC HEALTH SUBCOMMISSION

22. Professor BERGAMI, formerly Professor of Physiology at the University of NAPLES and High Commissioner for Food in the BONOMI Government, has been appointed High Commissioner for Public Health.

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23. The anticipated return in August of about 5,000 sick Italian prisoners of war and refugees has caused anxiety owing to shortage of hospital accommodation . It has been decided that as patients from the large German hospital colony at MERANO in BOLZANO Province are returned to their country, the incoming Italian sick will be accommodated there; the rate of flow is to be strictly controlled. The Swiss Red Cross have volunteered the services of 15 doctors and 40 nurses until the IRC staff has achieved a full complement.

24. Only three cases of typhus, one fatal, were reported during July among repatriated refugees. Smallpox figures have shown a further decrease both in NAPLES city and province. There has been a rise in smallpox in AVELLINO and SALERNO Provinces but elsewhere in ITALY the figures are negligible. Weekly searches at 198 collecting stations in the Tiber delta anti-malarial project indicate a very low mosquito density, the average number captured in mid-July being only 0.22 per station.

25. The infant mortality rate for ROME Commune in June was 96.9 a thousand as compared with 74.8 in May. Deaths from all forms of tuberculosis in ROME in June were 233 as compared with the May figure of 250.

26. Foot and mouth disease has spread to the Provinces of RIETI, TERNI and PERUGIA, where vaccination has been made obligatory. Swine erysipelas is sporadic except in the province of CUNEO where the incidence is high and the production of vaccine swine cholera is to be increased as the result of reports of further scattered cases. There has been a marked increase in rabies during the month. The distribution of Allied veterinary supplies, which should have been effected by ANDINEA six weeks ago, has not yet been effected. Arrangements are being made for the export of Italian veterinary biologicals to AUSTRIA.

27. Despite repeated representations to the Italian Government, ANDINEA has not made any distribution of medical supplies for three months. 2,665 Central Civilian Medical Depots are closing down in August on AFHQ instructions and further supplies for ITALY are to be accepted at dock side by ICE (Institute for External Commerce), an agency nominated by the Italian Government. Displaced Persons and Repatriation Subcommission will be supplied with a three month stock of medical requirements and after this is exhausted supplies will have to be met by UNRRA and the Italian Government. VENEZIA GIULIA is also being supplied with stocks sufficient to last until the end of November after which ETO will be responsible for medical supplies.

28. 65,000 blankets have been distributed in Emilia Region and any surplus from other regions will be sent to this Region where war devastation is acute.

PUBLIC SAFETY SUBCOMMISSION

29. The prospects of obtaining better supplies of clothing, equipment and transport for police agencies are much improved and the Italian Government has accepted the offer to clothe Carabinieri in British dyed battledress as a temporary measure.

30. 140 Italian tanks have now been released for Carabinieri Mobile

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31. Many more Carabinieri have been recovered in Northern Regions while others have returned from captivity and the work of screening them is well in hand. The training of men to form the Venezia Giulia Police Force continued.

32. Law and order in Northern Regions is still far from satisfactory and figures for murders and other illegal killings totalled 177 as compared with 143 for June and approximately 3,237 for May.

33. On 9 July at SCHIO in VENEZIE Region 15 armed men believed to be ex-partisans broke into the local prison, murdered 49 political prisoners and wounded an additional 26. The Regional Commissioner, VENEZIE, delivered a speech at SCHIO condemning the assassins in strong terms and widespread publicity was given the incident in the Italian press.
There were three other cases of attempts to murder or release prisoners by force and at TURIN no less than 70 prisoners managed to escape.

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34. At MATERA, in the Compartimento of LUCANIA, considerable damage was done in a demonstration which was apparently made against the grain amassing regulations but the Italian Government took stronger measures than they had previously taken over the MIGERVINO MURGE incident. At AGRIGENTO, SICILY, on 1 July 200 persons demonstrated against food conditions, setting fire to offices, the Municipio and the Garibaldi Club. Hand grenades, automatic arms and small arms were used and one Carabinieri was killed. 16 men were subsequently arrested and a curfew was imposed. On 12 July at LA SPEZIA, 7000 persons went to the Prefettura bearing signs urging speedier epuration and better living conditions, but the demonstration was orderly. In MILAN Province five lorry loads of arms were found.

35. Another riot occurred at REGINA COELI Prison (ROME) but the situation was firmly handled by the Italian authorities. The prisoners fired portions of the building which are now temporarily uninhabitable and prisoners had to be evacuated to other prisons.

PATRIOTS BRANCH

36. The Associazione Nazionale Partigiani d'Italia has now been converted into a state organization.

37. A decree has been promulgated setting up and constituting the Ministry of Post War Aid and all Italian Military Patriot Representatives will be responsible to this Ministry, although under administrative control of Prefects.

38. A decree has been also published authorizing the issue of a medal and ribbon to Patriots.

MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

39. The costly collection of works of art which the Germans had removed a year previously from the deposits of Tuscany were returned to FLORENCE on 21 July from the ALTO ADIGE; the collection was handed over to the Italian authorities with considerable ceremony.

40. In VENEZIA GIULIA serious war damage is limited to the Cathedral at POLA and the Temple of Apollo but there is considerable administrative confusion and much checking of displaced works of art to be done. German activity in this area included considerable organized looting of libraries, archives and Jewish-owned works of art.

41. In VENICE on 21 July a very successful exhibition of Five Centuries of Venetian Art was opened.

42. Two crates of valuable antiquities from TRIPOLITANIA and CYRENAICA were found in Northern Italy and have now been taken to ROME.

43. Arrangements are now complete for representatives of the Ministries and of the Prussian Commission to visit MILAN and fix details of the transfer of the

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MONUMENTS, FINE ARTS & ARCHIVES SUBCOMMISSION

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40. In VENEZIA GIULIA serious war damage is limited to the Cathedral at POLA and the Temple of Apollo but there is considerable administrative confusion and much checking of displaced works of art to be done. German activity in this area included considerable organized looting of libraries, archives and Jewish-owned works of art.

41. In VENICE on 21 July a very successful exhibition of Five Centuries of Venetian Art was opened.

42. Two crates of valuable antiquities from TRIPOLITANIA and CYRENAICA were found in Northern Italy and have now been taken to ROME.

43. Arrangements are now complete for representatives of the Ministries and of the Epuration Commission to visit MILAN and fix details of the transfer of the Ministerial archives, which have been found in Northern ITALY, to ROME.

DISPLACED PERSONS & REPATRIATION SUBCOMMISSION

44. During July the flow of refugees, displaced persons and ex-prisoners of war has continued steadily. The BRENNER route opened officially on 1 July with trains running directly from INNSBRUCK to VERONA. At the conference in ROME on 30 July between representatives of AFHQ and USFET (CPDX), AFHQ agreed to accept 4,500 - 5,000 persons a day over the Brenner route including one train-load of Italians for destinations in the South of ITALY. Since 23 July train arrivals have been at the average of two a day for North ITALY and one a day for South ITALY; in addition 1,000 persons a day are coming through SWITZERLAND from GERMANY. The return of 38,500 Italians from SWITZERLAND was completed on 31 July, with the exception of a hospital train which is due to leave on 8 August. The use of this route for the return of Italians from USFET will however continue. USFET (CMFX) reported 264,000 Italians yet to be repatriated from GERMANY and AUSTRIA, and a further 70,000 from the Russian Zone of occupation, FRANCE, BELGIUM,

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DENMARK and ALBANIA. No indication of the numbers in RUSSIA have yet been received other than that there are several thousands.

45. In addition to 155,729 Italians received through the Brenner and Swiss routes during the month, 4,204 were received by sea and air from FRANCE, GREECE and CASABLANCA. 42,118 persons were received in ROME from the North and 43,446 were transported South from ROME. It is estimated that 225,000 Italians will be received during August and arrangements for their reception and dispersal are complete.

46. Camps for Polish refugees and displaced persons, to be administered by Polcorps under the supervision and with the advice of Displaced Persons & Repatriation Subcommission, are being organized at BARLETTA and TRANI. These Camps are intended to accommodate up to 12,000 persons.

47. Good progress has been made in the North in the registration of displaced persons under the SHAEF system. On 28 July 12,742 out of a total of 21,369 Allied and other nationals had been registered and two trained registrars were sent South to help with registration in the UNRRA camps. Over 3,000 Allied and other nationals have been repatriated during the month.

48. At the end of the month a total of 95,439 persons were recorded by the Record Bureau, covering 72 nationalities.

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PART III.

ECONOMIC SECTION.

AGRICULTURE SUB-COMMISSION.

1. The abnormal spring drought has adversely affected many harvests. Forage crops and cereals, except corn and rice, have been seriously damaged. Fruit and vegetable production is satisfactory and there is in many areas surplus of perishable fruits. Owing to the serious shortage of forage in those areas, 15,500 tons of hay were made available for APULIA, LUCANIA and SARDINIA.

2. The total wheat crop is estimated at 4,188,368 metric tons and the quantity amassed at the end of July was 319,539 metric tons. To encourage and expedite amassing the Ufficio Nazionale Statistico Economico dell'Agricoltura is being formed into a national organisation and the publicity campaign in the ROME press is now being extended to the North. The Italian Government is giving vouchers for textiles to farmers in proportion to the amount of wheat brought to the amassi. Requests, which have not yet been met, have been made for transport for officials supervising the amassi.

3. The olive oil collection in the season totalled 52,396 metric tons.

4. Supplies of fertilizer have been received and some agricultural equipment has been called forward for early delivery. In Northern ITALY the distribution of domestic supplies continued.

5. The provisions of the present Slaughter Decree are being evaded and the Italian Government is preparing a decree which provides for the compulsory slaughter of 15% by weight of all bovines, the meat to be sold through official channels.

6. The reactivation of fisheries continues and a national conference has been proposed for September with a view to obtaining maximum fish catches.

COMMERCE SUB-COMMISSION.

7. The activities of the Materials Division have gradually declined during the month as increasing responsibility for the handling of materials of all kinds has been passed to the Italian Government. Only five items are now left in the AFLR(I)B list of controlled materials, being standing timber in the two areas reserved for British and American Services in CALABRIA, plywood, leather and all leather articles, hemp, and malt (controlled by the Food Supply Committee).

8. Two important directives were received during the month: one increased the liberty of the Italian Government in its external financial affairs: the other authorised the termination of export activities of the Allied Commission as from 31 July 45. The latter was received on 27 July 45 and [illegible]

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8. Two important directives were received during the month: one increased the liberty of the Italian Government in its external financial affairs: the other authorised the termination of export activities of the Allied Commission as from 31 July 45. The latter was received on 27 July 45 and therefore the Italian Government received very short notice of their new responsibilities. A directive was communicated to the President of the Council of Ministers on 31 July 45 and came into force on 1 August 45.

9. The failure of the French and Italians to reach agreement and sign the contract for 500,000 tons of phosphate rock has had the following result:

a) the loss of the whole of the July scheduled shipments;
b) the enforced movement of one ship, from SFAX, in ballast;
c) the threat of a loss of further ships from the Mediterranean.

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10. Exports shipments effected during the month amounted to a total of 3,263,098 tons, representing an f.o.b. value of more than 181 million lire.

11. Ente Petrolio Triestina (E.P.T.) has been set up in TRIESTE by Petroleum Section, AFHQ, to handle the distribution of POL in AMG VENEZIA GIULIA. E.P.T. will work independently from Comitato Italiano Petroli (C.I.P.).

12. A new appeal to eliminate misuse of POL was addressed to the Italian Government and this action was coupled with a request to AFHQ for a general drive aimed at drying up the sources from which black marketeers secure their supplies.

FINANCE SUB-COMMISSION.

13. The financial section of the Macmillan directive, FAN 583, was received from the Combined Chiefs of Staff during the month. Under this directive practically all Allied control over Italian external financial arrangements is relaxed. The directive was implemented by 23 July 45 - with the exception of the proposed currency agreement with the Italian Government - on which prior action by the British and U.S. Embassies is awaited.

14. On 15 July 45 the subscription lists for the new Italian Government 5-year bond issue were opened in North ITALY and up to 31 July 45 approximately 30 billion lire had been subscribed. As less money has been raised than was anticipated it has been decided to keep the lists open until 25 August, instead of 5 August as originally planned. It is hoped to raise about 50 billion lire.

15. The Combined Chiefs of Staff ruled that any conversion of German marks currency for repatriates by the Italian Government must be made at the provisional mark-lira rate of exchange already established, which is 10 lire equal one mark.

16. The Italian Ministry of Foreign Affairs was advised that the Italian Government should begin negotiations as soon as possible on the settlement of the Spanish war debt to ITALY, keeping the Allied Commission advised of the progress made.

FOOD SUB-COMMISSION.

17. Imports during the month were on a smaller scale than in June. The Ministry of Food is allocating imported goods for Italian Government territory regularly and is trying to build up reserve stocks but distribution of supplies in Italian Government territory is hampered by the shortage of box cars.

18. The movement of unrationed foodstuffs was satisfactory and the export of surplus fruit and vegetables from producing regions to deficient ones proved successful. 4,600 tons of salt have been moved during the month.

19. Progress is being made in equalising main ration scales in Northern and Southern ITALY. A meeting has been held at which agreement was reached on the principle of adjusting the workers and normal consumers' scales.

20. A series of meetings was also held with the Italian authorities to establish the basis for economic prices of bread and pasta for all ITALY. Prices based on these meetings went into force at the beginning of August, and the increases have in general been well accepted.

INDUSTRY SUB-COMMISSION

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INDUSTRY SUB-COMMISSION.

21. Industry Sub-Commission is continuing to hand back civilian industry to Italian Government control and all cement plants previously controlled by this Sub-Commission have been returned to the Italian Government. It has been recommended that tin solder and white metal be struck off the list of controlled items.

22. The total Italian potential production for caustic soda in the main plants is 180,000 tons a year.

23. Strenuous efforts are being made to organise the resumption of cellulose trade between SWEDEN, AUSTRIA and ITALY, since, if requisitions for cellulose are not met, the rayon and paper industries will be seriously affected. The textile industry is almost at a standstill awaiting the arrival of raw materials. It is estimated that about 50,000 tons of sugar will be the maximum production in ITALY this year. The yeast plant at NAPLES has gone into production at a rate of 60/65 tons monthly. Hemp is now being moved from BOLOGNA to NAPLES for processing there as the new crop is of poor quality.

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24. Estimated coal production figures during the month were as follows:-

Sardinian coal -	50,000 tons, as compared to 40,000 tons for June.
Lignite	65,000 tons, as compared to 50,000 tons for June.
Anthracite from LA THUILE	4,000 tons

25. The supply of matches has improved. In South and Central ITALY the ration has been doubled and in SICILY rationing has been abolished. A cigarette paper plant started production at ISOLA del LIRI on 30 July.

LABOUR SUB-COMMISSION.

26. During the month General Order No. 48, which had been designed to control economic conditions in the North, was withdrawn; the MILAN wage agreement was implemented through North ITALY, thus bringing wages in the North to approximately the same level as those in the South; the question of wage policy and control was discussed with the new Italian Government.

27. There were several demonstrations for increased wages, the largest of which took place in MILAN and TURIN.

28. Proposals for modifying social insurance laws in Northern ITALY have been discussed. These include the repeal of certain Fascist republican decrees, the implementation of decrees increasing benefits and the extension to the North of the increases in the family allowance system.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

29. Progress on rehabilitation work at the ports of GENOA, SAVONA, LA SPEZIA, APUANIA, VIAREGGIO and ANCONA is satisfactory.

30. Sixty-three cargo trucks of the 158 allocated have been collected and are being serviced, together with 60 trucks and 8 passenger vehicles from Fifth Army, before handing over to the Regions.

31. Work on military highways is progressing satisfactorily, but on civil roads the shortage of bitumen makes maintenance impossible. Bridge reconstruction is very satisfactory. Fifty bridges have been completed during July, making a total of 1761 bridges completed in ITALY to date.

32. The handover of Public Works activities in EMILIA Region and the Provinces of LUCCA and APUANIA to the Italian authorities was satisfactorily carried out. It is anticipated that all Public Works officers can be withdrawn by 20 August 45.

33. Additional road machinery, including 300 dump trucks, was requisitioned in order to place the Ministry of Public Works in a position to assume total responsibility for military highways maintenance by the end of September.

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34. Two new important electrical committees were formed and met during July: one composed of representatives of Electrical industry for Northern ITALY and the other of representatives of the SARDINIA, SICILY, Southern ITALY, Central ITALY and Northern ITALY Advisory Committees. This latter is known as the National Advisory Committee of Electric Power for ITALY and will advise the Italian Government.

35. The power situation in Northern ITALY remained satisfactory and no rationing has been necessary. 34,000 KW additional power was allocated to Central ITALY for August 45. A 120,000 volt line between North and Central ITALY was restored to operation during the month. The outage of two generators at SILA has made the already precarious situation in South ITALY worse. Reconstruction work on electrical systems in North ITALY showed progress, although this work is hampered by scarcity of materials and transport.

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36. All demands for materials for reconstruction in Central and South ITALY were met, with the exception of those for steel plates and sections. A number of tyres were made available to the Public Utilities Companies from military sources.

37. Efforts to obtain heavy truck transport for electric transmission line rehabilitation work have been made by Electric Companies through established Italian Government agencies. These have not been successful.

TRANSPORTATION SUB-COMMISSION.

38. The movement of civilian traffic in Italian Government territory continued to improve. Well over one million tons of civilian traffic is now being conveyed monthly by rail, road and sea in Italian Government territory. The movement of refugees and displaced persons continued according to programme and it was found possible to increase the rate of acceptance into ITALY across her North frontiers. It is hoped that in the near future arrangements can be made to clear refugees through VENICE and GENOA for Southern destinations by Italian Navy craft.

39. The first rail link between North and South ITALY was established on 7 July when the river PO was crossed at OSTIGLIA. At present, the crossing is a bottleneck, owing to the heavy military traffic including leave trains but it is hoped that progress on the further crossing North of PIACENZA will provide an alternative route between BOLOGNA and MILAN.

40. Phase II was introduced in Northwest ITALY on 15 July and the movement of civilian rail traffic in that area became the responsibility of the Allied Commission. All demands for rail movement in that territory have been met.

41. The greater responsibility for the programming and movement of civilian traffic which was delegated to the I.S.R. as from 1 July 1945 is working smoothly. The allocation of 300 wagons a day for civilian traffic should result in an overall improvement in civilian rail movement. It is hoped shortly to establish a daily civilian passenger service between ROME and MILAN.

42. The position regarding the handover of trucks to the Italian Government for civilian supply is satisfactory and by 31 August all Allied Commission Military Transport Units will be disbanded. All bids for movement by road during the month have been met.

43. After successful mine sweeping operations, the situation in the ports of GENOA and VENICE improved at the end of the month. The port of CIVITAVECCHIA handled the record volume of tonnage of 50,000 tons, 28,000 tons of which was coal. The port of PIOMBINO also functioned well throughout the month.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Considerable time was spent in re-establishing pre-Fascist newspapers in the north to replace those of PWB, which closed down on 15 July. Independent newspapers are now appearing in MILAN, TURIN, GENOA, BOLOGNA and VENICE.

2. Press releases were issued on several important subjects, including preparations for elections, the turnover of territory, the increase in the price of bread, radio telephone, displaced persons and the Joint Allied Commission - Italian Government Economic Conference. Use was made of Italian news agencies to transmit urgent press releases to the north, with excellent results.

3. The "Review of Allied Military Government and the Allied Commission in Italy from "D" Day, 10 July 43 to the Nazi Surrender in Italy, 2 May 45" was approved by AFHQ and has gone into production. Release will be made about 1 September and 100,000 copies are being printed in English and 100,000 in Italian. Italian copies will be distributed to all schools and universities.

NAVY SUB-COMMISSION

4. The report of the Campbell Committee, appointed to make recommendations on the methods to be employed in transferring the operations of Italian Ports to Italian Government Authorities, was approved during the month by the Supreme Allied Commander, Mediterranean and the Allied Naval Commander-in-Chief, Mediterranean. The Navy Subcommission has notified the Ministry of Marine of the approval and has directed them to take the necessary steps to implement the policies of the Campbell Committee report.

5. The Ministry of Marine has been notified that there is no naval objection to the development of the Gulf of GENOA ports of IMPERIA, PORTO MAURIZIO and ONEGLIA. All action in regard to the ports is to be initiated by the Italian Government and no Allied Naval resources can be made available for minesweeping or for purposes of bomb and mine disposal.

LAND FORCES SUB-COMMISSION (MMIA)

6. As from 1 July Italian Co-operator prisoners of war working for the Allies became members of the Italian Army. This change of status involved the transfer of co-operators to the US-ITI and BR-ITI Categories and the physical movement of considerable numbers of men. By 25 July 178 officers and 11,157 ORs had passed to the Italian [illegible]

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7. As a result of a speed up in the transfer of US-ITIs released by 5 Army and P.B.S. all Admin Divisions in N. ITALY now have sufficient personnel at their disposal for future needs. In addition the replacement of Pioneer Units by German labour and the disbandment of other units is releasing large numbers of men in each Administrative Division. These men are placed at the disposal of the Division to make up deficiencies, while surpluses are allotted to other units by MMIA.

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8. A further programme of demobilization has been proposed by MMIA to AFHQ. Plans for the reduction of units are not yet firm but the political necessity of demobilising older classes, many of whom have been under arms for over 7 years, has been strongly pressed, both by the War Ministry and MMIA. Meanwhile the demobilization of the 1915 class has been authorized.

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9. The disbandment of all the non-essential Intelligence units not working directly for the Allies continued during the month.

10. After much delay, and considerable interference from both Allied and Italian sources, the recovery of Italian Army vehicles in illegal possession of civilian firms and private owners proceeded rapidly during the month. Some 340 vehicles were released to the Italian Army by 1 District and the Recovery Organization set up by the War Ministry in conjunction with MMLA is working more smoothly.

11. 140 Italian light tanks, shipped from SARDINIA, have been released to the Ministry of War for CC.RR. Internal Security duties.

12. The position as regards food and supply depots is satisfactory and all depots would be operating on 21 August.

AIR FORCES SUB-COMMISSION.

13. All ranks of the Republican Air Force below Major have now returned or are in process of returning to their homes.

14. The courier service between the Mainland and SARDINIA was closed down during the month when it was discovered that civilians were using this service against payment. A personal apology for this misuse of transport has been received from the Air Minister together with his assurance that this practice has ceased, and the service was reopened on 31 July.

COMMUNICATIONS SUB-COMMISSION.

15. Foreign postal and telecommunications services were restored to several countries and postal and telecommunications services were opened VENEZIA GIULIA and the rest of ITALY.

16. External censorship stations were transferred to the Italian Government.

WAR MATERIAL DISPOSAL & IRW SUB COMMISSION
War Material Disposal

17. During the month 270 tons of brass scrap were made available to Italian Industry from British salvage sources. American policy on the release of brass and copper scrap and first grade steel is still under consideration.

18. Thirty nine lists of available salvage materials were received from British and American sources and approximately 5,500 tons of salvage was released to the Italian Government. 5,000 tyres were released to Pirelli during the month and it is expected however that there will be a considerable number of US tyres available in the near future.

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19. Inspections of scrap vehicles were carried out. 93 vehicles of various types have been issued on contract to civilians for remodelling. 500 scrap vehicles inspected in REGINA area will be disposed of to the Italian Government.

Italian Prisoners of War.

20. The return of Italian Prisoners of War from INDIA and AUSTRALIA is still very slow, but some 200 are expected from INDIA next month. It is also understood that a considerable number of releases will shortly be made from the United States.

21. During the month 130,486 Italian Prisoners of War were repatriated to Italy or released from Cooperator status. The majority of these were sick and wounded. Applications for release of 624 specialists were forwarded to Allied Force Headquarters.

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22. The number of welfare and compassionate cases repatriated was 662.

Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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ALLEN W. STONE
Rear Admiral, USN
Chief Commissioner

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Col. Liste ~~7~~
Col. Patin

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JUNE 1945

Ref: 821/EC

13 August 1945

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JUNE 1945

Ref: 824/EC

13 August 1945

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C O N F I D E N T I A L

HEADQUARTERS ALLIED COMMISSION
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MONTHLY REPORT

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POLITICAL SUMMARY

1. The first important development of the month preceding the solving of the Government crisis was the declaration of complete agreement of the six parties, after considerable discussion, on the subject of the position of the Committees of National Liberation. Agreement was reached on the following points:

1. The provincial and communal Committees of National Liberation should continue to carry out consultive functions with the Prefects until such time as the normal organs of local administration should be re-established after democratic elections;

2. That the other Committees of National Liberation not covered by the preceding paragraph should return to their exclusively political character;

3. The Committees in factories and industries should be transformed into technical and trades union organisations according to the production needs or social requirements of the factory or plant in question.

2. At a meeting of the Council of Ministers on 8 June the political situation was reviewed and Signor BONOMI offered to hand in his resignation. However, the Communist, Socialist, Labour Democrat and Christian Democrat Ministers in the Government requested Signor BONOMI to hold his hand a few days more until an agreement had been reached. In the meantime, on 9 June political leaders in the North, impatient of delay, sent a delegation to ROME led by Signor MORANDI, President of the CLNAI, and representing the Regional Committees of Liberation of VENEZIE, LIGURIA, LOMBARDIA, EMILIA and PIEMONTE.

3. On 12 June, Signor BONOMI placed his resignation in the hands of the Lieutenant of the Realm and the Government crisis was officially opened. The CLNAI passed a resolution calling for action on a three-point programme; namely, the designation of Signor PARRI as the President of the Council, the representation in the new Government of all the political forces in the Committees of National Liberation, including such leaders as Signor NENNI, TOGLIATTI and DE GASPERI and finally the appointment of five ministers without portfolio to be designated by Northern political parties. The Central CLN accepted the first point of this resolution the same day and on 17 June Signor PARRI was received by the Lieutenant of the Realm and officially charged with formation of the new Government. Lists of the new Cabinet Ministers and Undersecretaries can be seen on page 4.

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4. There are three additional Ministries in the new Government giving

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4. There are three additional Ministries in the new Government giving a total of twenty portfolios. The Ministry of Post War Relief will absorb the work of various High Commissions and other agencies set up to deal with refugees, prisoners of war and veterans; the previous Government had a High Commission for Food and this has now been raised to the rank of a Ministry. The Ministry of Reconstruction will take over the work of another agency, the inter-ministerial Committee for Reconstruction, and the short-lived Ministry for Occupied Italy has been eliminated. A separate Ministry for Labour has long been urged and its combination with welfare will absorb a number of minor agencies.

5. The proportion/.....

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5. The proportion of new blood is substantially higher than in the last Government. Counting Signor PARRI himself, there are nine newcomers, some of whom are in important posts. As might be expected, the North has the largest representation, fourteen of the Ministers having been born North of ROME. However, it is the most representative Cabinet on geographical lines that new ITALY has yet achieved. There are three members from Southern ITALY, two from SICILY and one from SARDINIA. The new Government is further to the Left than Signor BONOMI's last administration and Signor PARRI himself is a man of avowed republican sympathies, although he does not share Socialist views on "Social Problems" - or so at least Signor NENNI himself has asserted. The powers given to Signor NENNI to take charge of the work of preparing for the convocation of the Constituent Assembly and of the Office of Sanctions against Fascism are of considerable political significance at this time. On the other hand, the Right has also had its triumphs: it has succeeded in blocking the drive for a Socialist President which a month ago seemed sure of success.

6. On 23 June, Signor PARRI made a broadcast appeal to the nation. After expressing gratitude to the Allies for the liberation of the country and the generous material support which they had given for its reconstruction, he reminded the Italian people that the country was still in a state of emergency and that only a united effort would see ITALY through. The convocation of the Constituent Assembly could not of itself provide bread for people to eat and the Allied powers would be unwilling to give that material aid which was so essential for the reconstruction of the country unless they were satisfied that the Italians themselves were making a serious effort for their own redemption. The reaction to this sensible speech has been uniformly good.

7. On 25 June, the Cabinet Council held its first meeting under Signor PARRI's chairmanship and prepared a nine-point draft programme which was approved by the Council of Ministers on the following day. The nine points incorporated in the subsequent statement of the Council are as follows:

1. Preparation of the Constituent Assembly.

2. Appeal to the Allies to replace the armistice clause by a Peace Treaty.

3. Direct negotiations with Yugoslavia on the VENEZIA GIULIA question.

4. Reconstruction of the High Commission for Sanctions against Fascism.

5. Recognition of the advisory function of the Committees

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4. Reconstruction of the High Commission for Sanctions against Fascism.

5. Recognition of the advisory function of the Committees of National Liberation.

6. Administrative elections as early as possible.

7. Inclusion of representatives from the North in the Consultative Assembly.

8. Collaboration with the General Confederation of Italian Labour and other workers' groups on problems of labour and supplies.

9. Reconstruction.

The Council/.....

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The council also approved a draft decree presented by Signor NENNI for the abolition of the title of "Eccellenza". The Council further heard a report from Signor SCELBA and approved a budget for the next two months. A few days later it was announced that the campaign for the 5% Treasury Bond loan would now be extended to the North and Minister SCELBA expects by this means to increase the present subscriptions from 31,000,000,000 lire to 100,000,000,000. A special Inter-ministerial Committee was set up for economic coordination of the North and the South consisting of Signori RUINI, LA MALFA, GRONCHI, SCOCCIMARRO and BARBARESCHI: its specific task is to study the questions of prices, wages and salaries.

8. The military agreement on VENEZIA GIULIA was signed in BELGRADE on 9 June on behalf of Field Marshal ALEXANDER and Marshal TITO. Marshal TITO by this agreement undertook to withdraw his troops to the East of a line running roughly from the frontier North of GORIZIA, East of this town and thence East of TRIESTE to the coast to the North of CAPO D'ISTRIA. YUGOSLAV troops were to be withdrawn from POLA and the surrounding area. Allied Military Government was formally set up in TRIESTE on 12 June and in GORIZIA on 14 June.

9. Reaction to this settlement of the VENEZIA GIULIA question was not favourable in ITALY. The Council of Ministers in the programme already mentioned referred to the agreement as an "unsatisfactory arrangement". The "Globo" pointed out that ITALY had "lost" by the terms of the agreement "about half the national production of coal, almost all her bauxite and a good part of her mercury". A one-day general strike took place in TRIESTE on 26 June but there were no complications and Marshal TITO's latest speech on the possibility of Yugoslavia and Italy living in friendly relations "in an atmosphere of progressive democracy" should serve to clear the air.

10. Disturbances broke out in Southern ITALY in late June which assumed a greater measure of importance in view of Signor PARRI's declaration that illegal activities must cease. Details are given on page 10.

11. The main economic problems facing ITALY and the Allied Commission are food and work. The wheat crop this year is expected to be 2,000,000 tons less than last year's harvest, largely due to the prolonged drought, and the loss reduces the food supply and raises other economic problems. The income of 47% of ITALY's population, dependent on farming, will probably be cut by 220,000,000 dollars (£55,000,000). Farming will not be able, moreover, to absorb the surplus labour from industries which have been obliged to close down for lack of coal and raw materials. Food shortages further raise the problems of public safety and even public health since the farms have not been producing enough for the needs of their owners let alone a surplus for export to deficient areas. The estimate of the wheat crop cannot be definite until the

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LIST OF MINISTERS/.....

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ITALIAN GOVERNMENT

LIST OF MINISTERS AND UNDERSECRETARIES

Ministry	Minister	Party	Undersecretaries	Party
President	Ferruccio PARRI	Action		
Vice-President	Pietro NENNI	Socialist	Giustino ARPESANI	Liberal
Vice-President	Manlio BROSIO	Liberal	Giorgio AMENDOLA	Communist
Agriculture	Fausto GULLO	Communist	Antonio SEGNI	Christian Democrat
Air	Mario CEVOLOTTO	Labour Democrat	Ernesto PELLEGRINI	Independent
Education	Vincenzo ARANGIO-RUIZ	Liberal	Achille MARAZZA	Christian Democrat
(Fine Arts)			Carlo RAGGHIANTI	Action
Finance	Mauro SCOCCIMARRO	Communist	Enrico PARESCE	Labour Democrat
Food	Enrico MOLE	Labour Democrat	Renato SANSONE	Socialist
Foreign Affairs	Alcide De Gasperi	Christian Democrat	Eugenio REALE	Communist
(Italians abroad)			Renato MORELLI	Liberal
Industry and Commerce	Giovanni GRONCHI	Christian Democrat		
(Industry)			Ivan Matteo LOMBARDO	Socialist
(Commerce)			Enzo STORONI	Liberal
Interior	Ferruccio PARRI	Action	Giuseppe SPATARO	Christian Democrat
Justice	Palmiro TOGLIATTI	Communist	Dante VERONI	Labour Democrat
Labour and Welfare	Gaetano BARBARESCHI	Socialist	Gennaro CASSIANI	Christian Democrat
Navy	Raffaele De COURTEN	Independent		
(Military)			Carlo ARDIZZONE	Labour Democrat
(Merchant)			Angelo CORSI	Socialist

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Education	Vincenzo ARANGIO-RUIZ	Liberal	Achille MARAZZA	Christian Democrat
(Fine Arts)			Carlo RACCHIANTI	Action
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(Military)			Carlo ARDIZZONE	Labour Democrat
(Merchant)			Angelo CORSI	Socialist
Post and Telegraphs	Mario SCELBA	Christian Democrat	Mario FANO	Independent
Post War Relief	Emilio LUSSU	Action	Ernesto BERARDINONE	Communist
Public Works	Giuseppe ROMITA	Socialist	Giuseppe BRUNO	Action
Reconstruction	Meuccio RUINI	Labour Democrat	Ernesto ROSSI	Action
Transport	Ugo La MALFA	Action	Antonio Priolo	Socialist
Treasury	Marcello SOLERI	Liberal	(Giovanni PERSICO	Labour Democrat
			(Pietro NENNI	Action
War	Stefano [illegible]CINI	Christian Democrat	Pompeo COLAJANNI	Communist
			Luigi CHATRIAN	Independent

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PART I.

REGIONAL REPORTS.

EMILIA REGION.

1. There were no major political changes during June and the political atmosphere remains outwardly calm. Most people sense a deliberate policy of deferred action on the part of the more lawless elements who are obviously awaiting eagerly the departure of the Allies; this is further borne out by the attitude of the Carabinieri who feel that any action on their part now will be the cause of reprisals against them later. The Communists are still the most aggressive of the parties.

2. During the past month rapid strides have been made in restarting the industries in the Region. Eighty two factories which, at the beginning of the month, were closed are now in production and a further twenty one are continuing necessary repairs and will be in operation within the next month. The greatest obstacles to the recovery of industry continue to be the extreme shortage of coal and lack of transport.

3. Apart from the shortage of fresh meat, food conditions throughout the Region remain exceptionally good. During the month over 1,000 head of cattle were sold to TOSCANA and between 500 and 1,000 to Northern Provinces. There is still an acute shortage of cattle fodder in all provinces.

4. Wheat crops, after first threshing results, are estimated to be 40-50% less than previous yields. Continuation of the drought has caused considerable damage to the crops and rice alone shows an almost normal harvest.

5. The health of the people continues to be comparatively good, with the exception of local outbreaks of typhoid and paratyphoid fever in BOLOGNA Province.

6. Progress on all public works is seriously hampered by lack of transport and critical materials. Twenty one drainage and flood-control projects have been completed during June.

7. Although the number of major crimes committed has steadily decreased, intimidation of land-owners and even of public officials still continues in the form of anonymous threats and acts of extortion. One serious crime occurred at FERRARA, where a number of armed men wearing British battledress, with one of the party acting as a prisoner, entered the prison and shot the chief guard and seventeen prisoners. Nine others were injured and thirty four prisoners escaped. Eighteen of the escaped prisoners have returned of their own accord. A similar attack on a prison occurred at CARPI in MODENA Province where sixteen wellknown Fascist political prisoners were shot.

8. All patriot centres in the Region were closed on or before 10 June.

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8. All patriot centres in the Region were closed on or before 10 June.

9. Unemployment is widespread and the estimated number of unemployed in the Region is 265,000. More than 140,000 refugees, both Allied and Italian, passed through the camps during the month.

LIGURIA REGION.

10. Allied Military Government has now existed in LIGURIA Region for a few days over two months. The people have been fed, law and order have been resumed, business of many kinds re-opened and a start on the repair of public works has been made. Schools and banks are functioning almost normally. Public morale, however, is affected by fear and uncertainty; as military units are withdrawn many people express the fear of reprisals, lawlessness and violence after the departure of the Allies.

11. Throughout/...

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11. Throughout the Region provincial and communal administrative bodies are established and in operation and the efficiency of government is steadily improving.

12. The full allocation of flour and groceries for June together with the undelivered portion of the May allocation of flour have been distributed and there is now a substantial stockpile in each Province. A bread ration of 150 grammes a day, with one kilo of pasta and one kilo of rice and issue of fats, sugar and other supplements has been maintained. Heavy workers' supplements are being issued. Vegetables, fruit and fish are available in all provinces and prices have shown some decrease but meat is in short supply.

13. In GENOA there are about 60,000 to 70,000 unemployed, in APUANIA 10,000 and large unemployment exists in each of the other provinces. No relief on a large scale can be anticipated until coal and other raw materials are available. At the moment fruit and vegetables are plentiful but food kitchens will soon have to take over a heavy responsibility to prevent hunger and serious unrest. No strikes occurred during the month although there was an increasingly insistant demand for a better wage level and more employment.

14. The clearance of the harbour of GENOA has met with many difficulties which, after a minesweeper was destroyed with some loss of life, have resulted in the closing of the port for an indefinite time. One large ship at a time is being off-loaded on a nearby beach and the work of clearing SAVONA harbour was completed at the end of June. Rail transportation was available from GENOA to SAVONA as from 30 June.

15. During the month there has been an increase in crime, involving larceny but a decrease in cases of extortion and murder, thirty five murders being reported. Investigations were made in all cases but the results have been disappointing, partly due to witnesses not coming forward to give evidence for fear of reprisals. Prison deliveries occurred on 27 June, when twelve prisoners were removed from the FINALE LIGURE Prison in SAVONA Province, and on 6 June, when three prisoners were removed from the gaol at LA SPEZIA. On 7 June, a mass grave of Nazi-Fascist atrocities containing about fifty bodies was found at SAVONA: many have been identified.

16. Public health in the Region was good and there was no evidence of malnutrition. There was, however, a marked rise in the number of typhoid fever cases reported in GENOA commune during the month, traced to the free flow of sewage into the sea, sea bathing under insanitary conditions and the eating of raw sea foods. Efforts to discourage these practices have been made.

17. All public schools in the Provinces of IMPERIA, LA SPEZIA and APUANIA are open for a summer session lasting until 14 August 1945.

LOMBARDIA REGION.

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LOMBARDIA REGION.

18. The rising cost of living, low wages and salaries continue to be the chief source of discontent and political unrest. Between 12 and 26 June there were twenty four disturbances in MILAN Province, usually taking the form of sit-down strikes. Constant negotiations with employers and representatives of labour were successful in avoiding any serious incidents.

19. The minimum ration scale has been maintained but meat is in very short supply.

20. Distribution of captured animals to a total of over 5,500 has been concluded. It has been arranged for teams to brand and classify a large number of captured animals which had already been distributed in certain provinces before the arrival of AFC.

21. The morale/...

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21. The morale and efficiency of the Carabinieri has improved and they are working well throughout the Region. Very little hostility has been shown towards them. Public Security Agents are, however, most unsatisfactory, mainly due to the lack of experienced officers. Forty three cases of homicide were reported during the month, the majority of which occurred before 7 June. These figures show improvement on those of last month when 469 murders were reported in three provinces. A much higher percentage of crimes have been solved and detected. Cases of highway robberies, larcenies, illegal possession of firearms, cattle and horse stealing and extortion of money with threats have been reported.

22. One hundred and thirteen cases were tried by Summary and Superior Courts in MILAN city and thirteen in the Provinces. Italian Courts continued to function normally but are handicapped by lack of personnel and by the necessity for giving prior attention to the Extraordinary Courts.

23. Public health remained satisfactory. There has been a slight increase in the cases of typhoid fever. One case of typhus at DOMO-DROSOLA has been reported.

24. A small strike took place among teachers for increases in wages, but the announcement of certain officially established increases has quietened the situation temporarily.

25. 18,890 refugees and displaced persons have been registered and passed through camps in LOMBARDIA Region, making a total of 31,342 persons since the opening of these camps. Internees from SWITZERLAND are returning at the rate of about 5,000 a week.

PIEDMONT REGION.

26. Considerable progress was made during the month towards the restoration of the Region to normal conditions and the populace remained very friendly towards the Allied Forces. While in the city areas political activity appears to be on the increase and labour problems abound, the rural areas have little interest in politics. The Communist and Socialist Parties appear to have become more separated, the Communist Party being the most active.

27. French forces have withdrawn from AOSTA and TURIN Provinces and it is anticipated that the remaining occupied areas in CUNEO Province will be evacuated in the near future.

28. The food situation is good but the wheat harvest is expected to be far below normal. The health of the civilian population and sanitary conditions remain satisfactory.

[illegible] Regional problem is cost of living and the

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26. Considerable progress was made during the month towards the restoration of the Region to normal conditions and the populace remained very friendly towards the Allied Forces. While in the city areas political activity appears to be on the increase and labour problems abound, the rural areas have little interest in politics. The Communist and Socialist Parties appear to have become more separated, the Communist Party being the more active.

27. French forces have withdrawn from AOSTA and TURIN Provinces and it is anticipated that the remaining occupied areas in CUNEO Province will be evacuated in the near future.

28. The food situation is good but the wheat harvest is expected to be far below normal. The health of the civilian population and sanitary conditions remain satisfactory.

29. The major outstanding Regional problem is cost of living and the comparatively low scale of wages operating are insufficient to combat the inflated prices. Considerable unrest exists amongst the people, as evidenced by numerous large scale demonstrations and small strikes throughout the Region all of which, however, were orderly.

30. Crime is on a comparatively low scale. Eight cases of murder have been reported during June but police services are functioning reasonably well and there has been an improvement in their morale

31. Repatriation of displaced persons from SWITZERLAND to ITALY has commenced, the total number to be repatriated being estimated at 40,000.

32. Fiat works continue in production making 12 three-ton trucks and 10 cars a day, but local stocks of tyres are now almost at an end and the shortage of tyres throughout ITALY is acute.

TOSCANA REGION'....

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TOSCANA REGION.

33. On 19 June the Provinces of FIRENZE, PISTOIA, PISA, less the Commune of PISA and the Province of LIVORNO, less the Communes of LIVORNO and COLLI SALVETTI, were handed over to the jurisdiction of the Italian Government and appropriate ceremonies were held to commemorate the day. The Provinces of LUCCA and APUANIA were transferred to the administration of AMG Liguria Region. LIVORNO Commune remained under AMG and the Communes of PISA and COLLI SALVETTI came under the command of Commissioner LIVORNO Zone.

34. Although there was no outstanding development during the month the political parties were very active and the Communist Party stirred up the farmers, inciting them to make trouble for the landowners. Local Government continued to function smoothly.

35. The food situation has been satisfactory. The handover of the control of food supply to the Italian authorities has been effected without notable interruption to supply. Olive oil amassed, at the present scale of issue, should supply the Region until January 1946.

36. The morale of the Italian public safety organisations has improved under Allied Military Government and crime in general is decreasing.

37. Public Health is good and the anti-malarial programme has been handled with excellent results.

38. Since the commencement of AMG in the Region over 18,000 persons have been tried and over 10,000 appeals were reviewed.

39. The approximate state of repair projects to monuments in all nine provinces shows 101 projects completed or near completion, and 166 projects under way or barely started. The restoration of the burnt Campo Santo in PISA will be one of the most difficult and expensive Fine Arts problems before the Italian Government.

VENEZIE REGION

40. Throughout the month the five Provinces of UDINE, VENEZIA, TREVISO, PADOVA and ROVIGO were under direct Regional administration; the five Provinces of BELLUNO, VICENZA, BOLZANO, TRENTO and VERONA remained officially under AMG Fifth Army but VENEZIE Region was responsible in varying degree for most aspects of the administration.

41. The ten Prefects, all of them C.L.N. nominees appointed by AMG during May, continued to justify their selection. It was found necessary, however, to make changes in some of the Questore and to appoint men from the South with professional training in their place.

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42. The disarming of the patriots was officially completed in the third week of June. There is, however, disquieting evidence that many patriot bands are maintaining hidden stores of arms but definite information as to the location and size of such dumps is exceedingly difficult to obtain. It is, moreover, certain that some groups have not disbanded and are maintaining themselves, either by living on the capital fund accumulated during the winter or by forced levies off the countryside.

43. The state of public security remained reasonably good. On the opening of the Special Court of Assizes in PADUA on 16 June, the crowd assembled in court and, excited by the evidence, stormed the prisoners' cage and carried off six prisoners. One was killed but the other five were rescued by Allied Military intervention. The introduction of Carabinieri into the mountainous districts proceeded with less trouble than was anticipated, and by the end of the month nearly all stations had been opened.

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44. Public health remained good and there were no serious epidemics. The food situation did not give rise to any anxiety except temporarily in UDINE where an attempt to move wheat into the Province by water transport from ROVIGO was impeded by a barge sunk in a canal.

45. Though many factories remain intact and ready to function, the shortage of raw materials, above all the shortage of coal, stand in the way of a resumption of production.

46. Railway communications improved considerably during the month and a start was made in the organisation of truck pools.

REPORT BY RECENT VISITOR TO VENEZIA GIULIA.

47. Outwardly TRIESTE does not strike one as being the hot spot or the powder-keg of EUROPE, as it has been variously described. Except when there is a general strike, a superficial air of normality abounds. The bulk of the population seems to be either in the sea, bathing alongside the Allied troops, or in the trams which take them to and from the beaches. Food does not appear to be very short and flour was being sold on the quaysides from little ships coming in from the coastal towns at 40 to 50 lire per kilo. Maize was cheaper and potatoes were going at 22 lire and there did not seem to be a vast crowd of purchasers.

48. But that is only on the surface. Underneath there is a complex problem of nationalism and politics, of economic distress and, at any rate in POLA and MONFALCONE, the pressing problem of war damage, all of which are producing for the AMG authorities under XIII Corps one of the most difficult tasks that has faced the Allies in ITALY.

49. But one and all are tackling it quietly and efficiently and in the true spirit of AMG's position as trustees in a disputed territory. AMG is dealing with the territory as an administrative case with the one object of establishing good government without fear or favour. There is no doubt that stability is being established: it may probably be upset from time to time by forces beyond control but the effect of impartially and firm administration is being felt; it can be seen.

50. There was a strike in TRIESTE on 25 June involving shipbuilding docks, tramways and some shops. It was well and rapidly organised which shows the powers of the forces with which AMG has to contend, but it passed off without incident, without casualties and with only one or two arrests, a tribute to the stabilising influence of Allied troops and the military government, a tribute which is even more creditable when it is realised that there are practically no indigenous police and that law and order is maintained by the machinery of the military police and special troops allotted to them. The organisation however of a composite police force is going ahead, includ-

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AMG NAPLES COMMUNE.

51. There was little change in the situation in NAPLES Commune. Crime showed a slight tendency to increase, the chief offences being thefts of Allied goods. There were six cases of incidents between Allied troops and Italian soldiers and civilians during the month, resulting in the death of two Allied military personnel and one civilian.

52. Unemployment in NAPLES is increasing and it is estimated that the figure has now reached about 100,000 as against 70,000 in April.

53. The/.....

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53. The smallpox epidemic was abating in NAPLES Commune but outside the city the figures remained static. Typhoid cases remained at the same level as in May, twenty three new cases being reported for the first three weeks in June. Water shortage was causing anxiety.

54. Farmers had in some cases to kill off livestock as grazing was short due to the drought. Damage caused by the grasshopper plague was comparatively slight inspite of the unusually large swarms of these insects.

55. More street lighting is now available in NAPLES and there has been an extension in the tramway services. The approximate number of children in NAPLES schools is 45,000 against 25,000 last year and a pre-war figure of 100,000. Over forty cooperative food shops have now been opened and it is planned to bring this number up to two hundred. Clothing available for issue from the repairing and dyeing shops now amounts to 535,910 pieces in comparison to 361,316 pieces at the end of May. 52,105 pieces were issued during June.

AMG LIVORNO ZONE.

56. The political situation in the LIVORNO and PISA areas remained quiet. There were no labour disturbances and for many months past there has been an almost total absence of demonstrations, inflammatory posters and slogans painted on walls. Public morale was good.

57. Political party volunteers helping with the thousands of refugees in daily transit through the city have rendered invaluable assistance. Arrangements were completed during the month to turn over all civilian supply supervision and administration for the entire Provinces of PISA and LIVORNO to the Italian agencies.

58. Lack of rain is seriously affecting crops.

59. With the employment afforded by the Allied military authorities in the city of LIVORNO no serious unemployment exists, but in PISA Commune there are 8,000 unemployed; with military installations now departing and refugees returning from the North it is estimated that this number will soon rise to 14,000.

60. Water supply for civilian use continues to be precarious; while this results primarily from the war destruction of large sections of the water supply system, the shortage is further aggravated by the large number of military personnel with the district, the prolonged drought and the large amount of water diverted for the German PW stockade which is in this area. Work in progress on water supply systems should relieve the situation to some extent within the next month.

61. Allied Military Courts disposed of 288 charges for violations of proclamations and general orders during the month.

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61. Allied Military Courts disposed of 288 charges for violations of proclamations and general orders during the month.

62. No serious outbreaks of disease have been reported and conditions appear to be normal for this time of year.

BARI AND SOUTH EAST ITALY (from report of A.C. Liaison Officer BARI)

63. There were serious disturbances and terrorist rule by Communists at ANDRIA and MINERVINO MURGE, BARI Province, during the latter part of June. On 25 June a party of well armed Communists attacked the Carabinieri barracks of MINERVINO MURGE and demanded the release of three Communists who had been arrested; seven prisoners were released and the Carabinieri were disarmed and interned in their own Caserma. One Carabiniere and one civilian were killed and several others were wounded. 500 Carabinieri reinforcements were dispatched to the scene. On 27 June, armed Communists released 46

prisoners/.....

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prisoners, including four held at the disposition of the Allies, from ANDRIA gaol, and established road blocks around the town. The rioters occupied the Post Office, Municipio and Telegraph Exchange at MINERVINO MURGE; telephone lines were cut, farms and trains were ransacked and goods stolen; the law courts at ANDRIA were looted and the Labour Exchange and other public buildings were burnt to the ground. Several alleged Fascists were hunted out and killed and there were several casualties both among the Carabinieri and the Communist bands. The Minister of Labour (Socialist) and Minister of Finance (Communist) visited the Province and discussions took place. Order was restored on 30 June, but the situation was far from tranquil.

64. About 1,600 Yugoslav soldiers were repatriated during the month and 400 wounded were repatriated in a hospital ship.

65. The harvest has been poor and, owing to the shortage of fodder, many farmers have had to slaughter their cattle. Distribution of rationed food, with the exception of sugar which is in short supply, has been satisfactory.

SARDINIA (from A.C. Liaison Officer SARDINIA).

66. The political situation showed little change. The acute drought has had a serious economic effect on the Island and the grain and wheat harvests were seriously damaged. Much livestock had to be slaughtered as there was insufficient fodder and diseases broke out .

67. During the month 44,186 tons of Sulcis coal were mined, as compared with 38,241 tons in May, and 38,240 tons were exported to the Mainland.

68. Total imports for the month amounted to 2,994 tons, an increase of 1,642 tons on the previous month. Cheese has been the only foodstuff exported.

69. Public safety conditions were better during June although there were a few minor disturbances.

70. A small number of cases of typhoid fever was reported in all three Provinces. The number of tuberculosis cases and the inadequate Sanatoriums and Institutions for their care are causing concern.

SICILY (from A.C. Liaison Officer C.T.L. and PALERMO).

71. The political situation remained unchanged although the divergence of opinion between the Republican and Monarchial groups was becoming more pronounced and public opinion appeared to have taken leanings towards a Republic.

72. Price Committees are functioning but a rigid control of prices is

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71. The political situation remained unchanged although the divergence of opinion between the Republican and Monarchial groups was becoming more pronounced and public opinion appeared to have strong leanings towards a Republic.

72. Price Committees are functioning but a rigid control of prices is still lacking, resulting in an increase in black market activities. Epuration is progressing very slowly and individuals affected are in most cases only minor officials.

73. At MESSINA Province the typhus epidemic has been stamped out and in PALERMO Province it is now under control.

74. Classified labour employed by the Allies in SICILY has been granted an increase of 70 lire a day. The arrival of coal and grain shipments were regular and stocks of grain were available by the end of the month.

75. Several clashes have been reported between Carabinieri and members of the Separatist Party who have taken refuge in mountainous districts North-west of ENNA following the closing of all their Headquarters by order of the Prefect. A few caches of arms were found but there were some casualties on both sides.

76. There/....

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76. There were several strikes on the Island during the month, the most important of which was the strike of the sulphur mines in the Province of CALTANISSETTA. As the month closed the miners returned unwillingly to work after a compromise agreement had been reached.

PART II/.....

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PART II

CIVIL AFFAIRS SECTION

Defascism.

1. No new decrees were passed during the month due to the cessation of legislative activity of the Italian Government during the political crisis.

2. General Order 46 dealing with the epuration of workers and employees in private industry was issued on 2 June 1945. The Provincial Epuration Commissions operating under General Order 39 have been working satisfactorily.

3. The American and British Embassies and the Allied Commission have given their approval for the enactment of a decree dealing with the forfeiture of wealth corruptly gained during the Fascist regime.

4. The Extraordinary Courts of Assize have greatly increased their volume of work and the section of the Court of Cassation, sitting in MILAN, has expedited the disposition of appeals, particularly in cases of death sentences.

5. In the principal Ministries 37,142 of the 47,365 employees have been scrutinized and 7,282 have been sent for trial; of the latter total 4,768 cases have been concluded, 795 employees were dismissed, 393 sentenced to compulsory retirement and 1,086 received lesser punishment.

Mine Clearance.

6. The Zones set up in EMILIA and LIGURIA Regions are functioning satisfactorily and new squads being trained as recruits come forward. Lack of transport and POL is retarding a fuller development of the scheme.

7. The total number of mines lifted during the month was 55,502, which brings the total of mines reported lifted in ITALY to the end of June to 1,501,714. There were several casualties among both the military units and civilian squads during the month, 13 being killed and 13 wounded.

LOCAL GOVERNMENT SUB-COMMISSION.

8. The compilation of Electoral Registers in the Northern Provinces under Allied Military Government, excluding VENEZIA GIULIA, will start on 15 July 45. Under Italian Law 100 days are required, from the date of commencement, for the completion of these Electoral Lists. An extension of this time-limit will be granted only to Communes which show proof that, because of war damage and disruption, they are unable to complete their lists within the time limit set.

9. The Italian Government are again to be advised to revise the existing electoral laws, which were passed in 1915. The previous efforts of the Allied Commission in this direction resulted in a reply from the then President of the Council, H.E. BONOMI, to the effect that no reform was required since, in his personal opinion, the law was "adequate."

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EDUCATION SUB-COMMISSION.

10. On the whole the education system of Northern ITALY with the exception, as yet, of VENEZIA GIULIA, was found to be satisfactory and most schools have been re-opened; where the children had an almost uninterrupted year the opening was for examinations only, followed by closing for the summer vacation but, where the school year had been badly broken, schools were extending the spring term to late June or early July, or running full summer sessions. Volunteer summer sessions are being held in ROME and GENOA. Plans are being made to give recognition for work done in clandestine non-fascist schools run by partisans during the German occupation; students who fought with the partisans, or whose fathers did so, are exempted from tuition fees. Epuration is proceeding effectively in all schools, universities and cultural institutions.

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11. LOMBARDIA is reported to have had the largest concentration of fascists in teachers' posts. In CREMONA Province 33% of the teachers, as against an average of 4% to 7% in the rest of ITALY, had to be removed; in one school seventeen out of eighteen teachers were removed from office.

12. Reports on damage to school and university buildings show that 20% to 30% of the schools in APUANIA were destroyed and the University of BOLOGNA and the University of GENOA, and four buildings of the University of MILAN have suffered greatly. AFHQ have issued a new order against further requisitioning of schools but derequisitioning is still a serious problem, in many cases more serious in the South than in the North of ITALY.

13. In LOMBARDIA Region there were small teachers strikes organised by the "incaricati", or teachers employed from year to year but not yet on permanent civil service rolls. These "incaricati" receive salaries for only ten months of the year and with the rising cost of living their situation during the summer vacation is desperate. Demonstrations were quieted and an immediate solution is being sought.

14. In Southern ITALY, SICILY and SARDINIA all schools and universities functioned throughout the year, closing for the summer vacation in June. While building repairs have begun in many places, there is still a vast amount of repair and reconstruction to be done. The shortage of glass remains the most universal problem in the repair of school buildings, while another major difficulty is the replacement of scientific and technical equipment which has been requisitioned by the Germans and the by the Allies, or looted, or destroyed.

LEGAL SUB-COMMISSION.

15. With the termination of Military Government in TOSCANA Region, the reduction in the volume of AMG Court cases continues. Several serious crimes have been tried in NAPLES; in particular another gang of counterfeiters was brought to trial and 7 persons were convicted out of 8 charged. In North ITALY there has been a slight increase in the volume of AMG Court cases; the offences involved were mainly possession of arms and possession of Allied property: several cases of illegal possession of Allied petrol have been tried. In VENETIA Region a few cases have arisen out of political disturbances and one serious case was tried in which a member of the CC.RR shot and seriously wounded an Allied soldier; a similar case occurred in NAPLES Commune.

16. In the Italian Courts the principal interest centred in the Extraordinary Courts of Assise. These are operating in all provinces in the North with the exception of BOLZANO Province where, owing to the special conditions, it had not been possible to implement Italian legislation or establish the Extraordinary Courts. Arrangements are, however, in progress to institute these courts forthwith. The courts themselves appear to be working fairly and satisfactorily and on the whole a genuine effort to administer justice appears to be being made.

17. Unfortunately the inevitable time involved in an appeal to the Court of Cassation and a petition for mercy creates an appearance of delay in the execution of death sentences which is causing considerable comment and some disturbance. In view

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17. Unfortunately the inevitable time involved in an appeal to the Court of Cassation and a petition for mercy creates an appearance of delay in the execution of death sentences which is causing considerable comment and some disturbance. In view of the nature of these Courts it is necessary to preserve some form of appeal and the interval between sentences and execution of about one month is difficult to reduce.

18. On 30 June a conference was held in MILAN of the heads of all the Courts of Appeal in the North to discuss the operation of these Courts and to secure uniformity of administration.

19. General Order No. 48 was issued to prevent mass discharges from private industry, with consequent large scale unemployment, as a result of the shortage of raw materials in Northern ITALY.

PUBLIC HEALTH SUB-COMMISSION.

20. The Italian Government is proposing to appoint a High Commission for Public Health, thus freeing the Health Service from the present subordinate position in the Ministry of Interior. The High Commission will be directly responsible to the Council of Ministers.

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21. Representatives of the Rockefeller Foundation have advised against the formation of a Cordon Sanitaire in the North of ITALY mentioned in last month's report, owing to the delay in repatriation and the consequent congestion such a Cordon would cause. AFHQ have therefore been requested to decline the kind offer made by the Swiss Government of medical aid to Northern ITALY.

22. Three cases of Typhus have been reported from PALERMO but no further cases have occurred at CAPIZZI; sporadic cases have been reported from the Mainland. A marked decrease has occurred in the incidents of Smallpox in NAPLES City but there is little diminution in the number of cases reported from NAPLES Province.

23. Anti-malaria spray guns and 20,000 litres of Pyrethrum Spray have been delivered to Venezia Region and further shipments are being arranged. Spraying in the TIBER Delta projects has been completed and field reports indicate that mosquito densities in the treated areas are exceedingly low. In addition, a marked reduction in flies is noticeable.

24. The Infant Mortality rate in ROME Comune during May was 74.8 a thousand as compared with 70.7 in April. Deaths from all forms of Tuberculosis in ROME were 250 in May as compared to the April figure of 237.

25. A tour of the Northern Regions revealed a satisfactory position as regards medical supplies, except for a scarcity of insulin, the delivery of which is being arranged.

26. A survey of veterinary activities in the Northern Regions indicates that they are being operated much more efficiently than those in Southern Regions. Three veterinary laboratories were found to be undamaged and functioning satisfactorily, and had ample stocks on hand. The TURIN laboratory has produced a satisfactory vaccine against Foot-and-Mouth Disease. Swine Cholera and Swine Erysipelas are sporadic in all Northern Regions.

PUBLIC SAFETY SUB-COMMISSION.

27. The public safety position showed a considerable improvement over the previous month but it is still far from satisfactory. Reports indicate the continued ineffectiveness of Police Agencies and the lack of trained personnel, press support, uniforms and equipment, transport and officers and NCOs constitute major problems for the Italian Government. A marked reduction from the high May records of killings, disappearances and extortions is noted during June.

28. The ceiling strength of the Carabinieri was raised by 10,000 to 65,000 at the end of the month and nearly 8,000 ex-Carabinieri were enrolled and equipped.

29. Two mobile Carabinieri Battalions have been formed, one in SICILY and the other in SARDINIA, and those for MILAN, TURIN, GENOA and PADUA will soon be in operation. It is planned to form additional mobile Battalions for FLORENCE, BOLOGNA, ANCONA, ROME, NAPLES and BARI.

30. The initial hostility towards professional Questors from the South

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reduction in flies is noticeable.

24. The Infant Mortality rate in ROME Comune during May was 74.8 a thousand as compared with 70.7 in April. Deaths from all forms of Tuberculosis in ROME were 250 in May as compared to the April figure of 237.

25. A tour of the Northern Regions revealed a satisfactory position as regards medical supplies, except for a scarcity of insulin, the delivery of which is being arranged.

26. A survey of veterinary activities in the Northern Regions indicates that they are being operated much more efficiently than those in Southern Regions. Three veterinary laboratories were found to be undamaged and functioning satisfactorily, and had ample stocks on hand. The TURIN laboratory has produced a satisfactory vaccine against Foot-and-Mouth Disease. Swine Cholera and Swine Erysipelas are sporadic in all Northern Regions.

PUBLIC SAFETY SUB-COMMISSION.

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30. The initial hostility towards professional Questors from the South being appointed in the North of ITALY is now diminishing and the 'amateur' who filled the post on the cessation of hostilities, finding the task too much for him, is giving way to the trained professional.

31. There have been several cases of organised bands gaining entry to prisons for the purpose of releasing their friends or murdering their enemies. This problem is made more difficult by the inexperience of the prison guards and the critical overcrowding which exists in the prisons where 95% of the prison population are political prisoners. It is hoped that more prisons will soon be released from military requisition to relieve this serious overcrowding. There were some demonstrations against slow legal procedure and light sentences assessed against fascists and collaborators.

32. Train thefts are reported from all parts of the country and armed bands are operating throughout the Southern areas. There is a general increase in larceny, burglary and counterfeiting and in some places unofficial political police forces have been organised. Details of incidents and disturbances are dealt with in full in the Regional Reports.

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Return of Illegal Shooting in Provinces of
VENETIA, LIGURIA, LOMBARDIA, EMILIA and PIEMONTE.

June, 1945.

Date	Kidnapped and shot	Kidnapped - presumed killed	Shot	Incidents involving loss of life	Shot by Germans	Killed by other means	Lynched	TOTAL
1-19 June	7	2	30	-	9	1	31	80
19-24 June	-	-	35	-	-	2	-	37
24-30 June	-	-	12	13	-	1	-	26
						Total:		143 +

+ Approximate number of illegal deaths or kidnappings for the period 8 to 31 May was 3,237 as compared to the 143 reported in June as shown above.

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33. With the exception of a few organised bands, such as the Cacoppo and Nino Marmotti Divisions in VENEZIA, the disarming and demobilisation of patriots was practically completed. There remained, however, a number of patriots requiring employment and assistance and 27 Patriot Centres were still operating at the end of the month. It was clear that large quantities of arms were still being kept hidden, although information as to the location of the dumps was very difficult to obtain.

34. The most important measures affecting patriots taken by the Government during the month were the granting of "Ente Morale" status to the Associazione Nazionale Partigiani d'Italia, and the authorising of increased bonuses for patriots as follows:-

Patriots with less than 3 months service	L. 1,000
Patriots with more than 3 months service	L. 5,000
Wounded Patriots	L. 10,000
Relatives of fallen Patriots	L. 20,000

35. Contrary to expectations, the patriot problem in VENEZIA GIULIA has proved to be relatively simple; those Italian patriots who had not withdrawn into ULTRA, were disarmed and disbanded by the Yugoslav forces before ANGLO Army troops occupied the area and the Yugoslav patriots withdrew into YUGOSLAVIA. It is not proposed to set up any patriot organisation in VENEZIA GIULIA.

MONUMENTS, FINE ARTS AND ARCHIVES SUB-COMMISSION.

36. The "Last Supper" by Leonardo da Vinci has been uncovered and found to have suffered practically no damage. The famous Certosa of PAVIA, the Masolino frescoes at CASTIGLIONE D'OLONA, and the Luini frescoes at SARONNO are undamaged. In PIEMONTE six deposits of art objects were inspected and found intact. In LIGURIA Region 37 monuments in GENOA were inspected and 16 urgent projects approved; inspections were also made of monuments at PAVIA, BERGAMO, the provinces of GENOA and LA SPEZIA and the provinces of IMPERIA and SAVONA, where monuments were found to be in good condition.

37. In EMILIA, LOMBARDIA, PIEMONTE and VENEZIA Regions, Archives Officers have carried out inspections of state, town, notarial and church archives and also of libraries. Return of deposits has started, where the state of parent depositories make it possible.

38. Mr. Hilary Jenkinson, C.B.E., Archives Adviser to the War Office, arrived in ROME on 24 June to survey progress made in connection with Italian archives. During his visit a draft memorandum, setting out a programme for the future administration of the Archives of the Allied Commission, extending over a period of several years, was discussed.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

39. During the month the movements of refugees and displaced

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Wounded Patriots	L. 10,000
Relatives of fallen Patriots	L. 20,000

35. Contrary to expectations, the patriot problem in VENEZIA GIULIA has proved to be relatively simple; those Italian patriots who had not withdrawn into UDINE, were disarmed and disbanded by the Yugoslav forces before ANGLO-US Army troops occupied the area and the Yugoslav patriots withdrew into YUGOSLAVIA. It is not proposed to set up any patriot organisation in VENEZIA GIULIA.

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DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

39. During the month the movements of refugees and displaced persons have become more organised. Representatives of AFHQ and SHAEF have discussed plans for the repatriation of 350,000 Italians from GERMANY and AUSTRIA, and 300,000 German ex-PWs from ITALY, through the BRENNER PASS and SWITZERLAND by rail commencing 1 July 1945.

40. Approximately 68,707 Italian refugees arrived in ROME from the North in June and about 46,129 were sent to the South. 500 Greeks were repatriated by air from ITALY to GREECE in groups of 100.

41. At the end of the month a total of 38,171 persons were recorded by the Records Bureau covering 72 nationalities.

42. This month saw the close of the financial assistance programme for displaced persons. Started in ROME on 7 October 1944 when 273 heads of families received loans, it was extended immediately to all of liberated ITALY. The peak was reached in December 1944 when 5,000 persons were recommended advances. This programme was the means of preventing untold hardship, privation and malnutrition among Stateless displaced persons and twenty-four nationalities, including former enemy nationals who had been persecuted for racial or political reasons. Loans up to 4,000 Lire a head each month were made with a maximum of 12,000 Lire for any single household. The total amount loaned was a little over seventy-five million lire. UNRRA is now responsible for this work.

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PART III

ECONOMIC SECTION

AGRICULTURAL SUB-COMMISSION.

1. A report on the Italian wheat crop estimate forecasted 4,427,314 tons as compared with 6,390,661 last year, the decrease being mainly due to the prolonged drought which has further accentuated the fertilizer deficiency. Acreage planted showed 8% decrease owing, to a large extent, to non-cultivation of marginal strips in mountain areas. Acreage for the year is estimated at 4,363,985 while acreage for last year was 4,765,480. The drought has continued since March and is said to be the worst since 1922. The small farms which form the greater part of Italian agriculture have suffered more than the large surplus producing properties. A low yield is anticipated for other reasons also, such as late sowing, frosts, hot winds, floods and war damage.

2. The Granai del Popolo reports for the season from 1 July 1944 to 30 June 1945 show that 1,563,698 metric tons of wheat were collected in Northern ITALY, while in the remainder of ITALY the quantity amounted to 1,114,530 metric tons, which represents 96% of the target figure. The olive oil collection totalled 51,766 metric tons.

3. The forage shortage will necessitate redistribution of forage surpluses and livestock. In SARDINIA, grasshoppers have damaged forage.

4. An allocation of 500,000 tons of rock phosphate was received from North AFRICA. Copper sulphate and sulphur were distributed and nitrogen fertiliser production was resumed and distribution commenced in Northern ITALY.

5. Investigation disclosed that several factors, primarily the cost of movement and secondarily the bad condition of the animals due to drought and lack of forage, will prevent the transfer of any larger numbers of animals from SARDINIA to the mainland for slaughter or restocking. Distribution of captured animals to farmers has been completed with approximately 26,176 distributed since the early part of May.

6. A programme for the re-establishment of ocean fishing, using Italian-owned trawlers, was prepared. A chart to aid in the location of mines and obstructions was made and fishing boats were sent to unrestricted areas.

COMMERCE SUB-COMMISSION.

7. As a result of the uncovering of large stocks of engineering materials in Northern ITALY, only five items are now controlled by the Engineering Materials Committee of the Allied Force Local Resources (Italian) Board, viz: tin, solder, white metal for bearings, standing timber, in the two areas reserved for British and American services in CALABRIA, and plywood.

8. More than 2,000 tons of new and used clothing, shoes, new blankets and comforters arrived in ITALY from the U.S.A. and were consigned to U.C.I. (Istituto Commercio Estero).

9. Exports during the month amounted to [illegible]

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9. Exports during the month amounted to 1,846 tons, with a total value of 50 million lire.

10. An Italian Economic Mission has left for SWITZERLAND where it will keep in close touch with U.K. and U.S. legations at BERNE while negotiating with the Swiss authorities.

11. A request submitted by the Italian Government for a further increase in the June bulk allocation of POL was examined but refused on the grounds that the best possible use is still not being made of the present allocation, which is estimated to be more than sufficient to cover Category A needs.

12. 2,000 tons of newsprint arrived from AMERICA.

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FINANCE SUB-COMMISSION

13. CCS has authorised the sending of certain transactional communications from ITALY to the British Empire and United States and possessions, provided a licence has been granted by the Ministry of the Treasury.

14. The Swiss frontier was partly opened on 29 June to permit the repatriation of Italian refugees in SWITZERLAND; and with the concurrence of the Allied Commission, the Banca d'Italia, acting on behalf of the Italian Treasury, has established a currency control. Dollars, sterling and Swiss francs are being purchased; other currencies (except reichsmarks) are being taken up against receipt.

15. The Allied Commission has to date seized more than 6.5 billion lire of German Army and other German official funds.

16. The final figures for the new 5% Five Year Treasury Bond issue in Central and Southern ITALY show a total of 33 billion lire subscribed. It has been decided to extend the new bond issue to North ITALY (except VENEZIA GIULIA). The issue price is to be 99 and the subscription period will run from 15 July to 5 August 45.

17. Upon liberation of the industrial North, Allied authorities found already in operation a two-fold system of caring for workers rendered surplus by war damage and materials shortages. One group benefitted by a broadening of the scope of the "integrazione salariale" a guaranteed minimum compensation to short-time workers. A second group, placed on a temporary waiting list, was granted special daily allowances by the employer and the Unemployment Fund and the right to continue to receive regular family allowances. Both treatments provided under decrees of the Fascist Republican Government of 20 January and 13 February respectively. General Order No. 48 has now been issued to provide a proper legal basis for continuing the essential features of this system. It is based on discussions with the Italian Government, which not only gave invaluable technical advice but undertook to subsidize the Cassa Integrazione Salariale, already seriously strained by the unusual burdens it has had to bear in recent months.

FOOD SUB-COMMISSION.

18. The food economy of North ITALY is being brought into line with that of the South with as little change to the existing system as possible. Decisions were reached in respect of rationing policy, movement of foodstuffs and prices of foodstuffs in Northern ITALY and a uniform basis of ration scales has been promulgated to all Regions at the official Allied Commission scales prevailing in Southern ITALY. Food organisations existing in Northern ITALY on liberation have now been linked up with those formed by the Italian Ministry of Food in the South. The functioning of the Ministry of Food and the Federazione dei Consorzi Agrari continued to improve.

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19. Total imports for the month were 244,629 tons, of which 221,155 tons were cereals, being the highest monthly total since the occupation of ITALY.

20. During the month 26,600 tons of miscellaneous supplies were delivered to

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20. During the month 26,600 tons of miscellaneous supplies were delivered to Northern Regions and non-rationed foodstuffs imported into ROME have reached 734 tons a day, the highest figure reached during 1945.

21. Food commitments which had previously been undertaken by the Armies are now being undertaken by Allied Commission including the feeding of partisans and Polish refugees in camps.

INDUSTRY SUB-COMMISSION.

22. The production of cement totalled 11,441 tons, the decrease of 1,914 tons from the previous month being mainly due to shortage of fuel. The Solvay works produced 6,000 tons of Sodium Carbonate (Soda Ash), 40% of ITALY's pre-war requirements. Oschi Oschiri plant in SARDINIA for the production of Nitrogenous Fertiliser has been forced to close through lack of water.

23. Estimated production for June of Sardinian coal was 40,000 tons. With an additional 2,500 workers it is estimated that this production could be raised to 75,000 tons a month. The estimated lignite production for June was 50,000 tons but the potential production, which is much greater, is hampered by shortage of transportation and labour. Mercury production has commenced at the Carbonia-Giola Mine, but the sulphur industry in SICILY is at a standstill owing to a strike at

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the mines. The marine salt works are producing about 400,000 tons per annum which is sufficient to meet ITALY's needs.

24. The increased prices in the North for finished tobacco products and tobacco derivatives will result in an increase of revenue to the Italian Government of 600,000,000 lire a month.

25. Production of cotton for Southern ITALY for June showed a considerable increase over the previous month and the production of woollen piece goods for June in Southern ITALY was approximately 1,350,000 metres.

LABOUR SUB-COMMISSION.

26. There is increasing industrial unrest in Northern ITALY due to rising cost of living and heavy unemployment. Arrangements have been made to prevent wholesale discharge of surplus workers for a further period, pending the preparation of an effective scheme for diverting these workers into other channels.

27. In Northern ITALY numerous wage agreements in private industry providing for substantial increases in wage rates have been negotiated and approved, particularly in the provinces of MILAN, TURIN and BOLOGNA: decrees providing for increases in the wages and pensions of State and parastatal employees have been implemented; Allied Forces employees have also been granted increases of wages, local commanders have been authorised to pay wages ranging between the minimum and the maximum of the basic pay with part of the cost of living bonus prevailing in the South of ITALY pending the establishment of Local Sub-Committees of the Labour and Wages Control Committee.

28. Reorganisation of social insurance in the North is proceeding and in VENEZIA GIULIA special inspectorates are being established in order to maintain the autonomy of this district.

29. In Central and Southern ITALY there have been fewer demands for wage increases and with the exception of a strike at the sulphur mines in SARDINIA there has been little industrial disturbance.

PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

30. Communal Housing Committees are becoming increasingly active in Italian Government territory but progress is less advanced in AMG Territory. Functioning Committees now total 435, with 24,344 housing repair projects started and 12,646 completed since the inauguration of the Committees. The value of work on housing to the end of June amounted to 2,542 million lire.

31. A comprehensive five year rehabilitation programme for the port of GENOA was submitted for consideration with a total cost of approximately 950 million lire. Approval was given for the urgent work which can be accomplished in 1945 to be started and this will amount to approximately 95 million lire.

32. To help meet the expected power shortage in Southern ITALY steps have been taken to repair the high voltage transmission lines between TERNI and P. SORA and P. SORA

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31. A comprehensive five year rehabilitation programme for the port of GENOA was submitted for consideration with a total cost of approximately 950 million lire. Approval was given for the urgent work which can be accomplished in 1945 to be started and this will amount to approximately 95 million lire.

32. To help meet the expected power shortage in Southern ITALY steps have been taken to repair the high voltage transmission lines between TERNI and PESCARA and PESCARA and NAPLES. It is expected to transport 20,000 KW of power on these lines by October 1945.

33. During the month of June three 60,000 Volt transmission lines capable of transporting approximately 20,000 KW power from Northern to Central ITALY were completed and put into operation.

TRANSPORTATION SUB-COMMISSION.

34. The movement into Northwest ITALY was not as planned owing to the delay in opening GENOA Port. This necessitated the movement of supplies continuing along the ANCONA - FORLI axis, with consequent long road hauls. At the end of the month improved rail communications between the South and the North somewhat relieved the strain on available road transport.

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35. An increasing demand on all means of transport was made to deal with the large number of returning refugees, many of whom had to be moved from the North to areas South of ROME. Generally all demands for movement of refugees were met with little delay, APBIQ being most helpful in working out a flexible system to meet the emergency demands which occurred throughout the month. Arrangements have now been made with SHAEF to control the flow of refugees, so that advance programmes can be made.

36. 30,000 tons of stores were moved coastwise in June, excluding stores lifted by the personnel/cargo ferries operating between NAPLES, SARDINIA and SICILY. Of the 80,000 tons, 25,000 tons were lifted by schooner.

37. Tonnages moved by rail totalled approximately 220,000 tons, showing an increase over previous months. About 67% of the accepted programmed traffic on the mainland was moved, against an average of 62½% in the previous month. In addition, 81,000 refugees moved by train.

38. Line 257 from ROME to VITERBO has been extended to SIPICCIANO and additional services have been introduced.

39. During the month considerable progress has been made in the handover of trucks to the Italian Government. About 930 x 1½-ton vehicles have been collected by the Italian State Railways and AC Truck Pools at FOGGIA, CAMPOBASSO, CHIETI, AQUILA and PESCARA have been taken over by the Ministry of Transport. The remaining AC Pools will be handed over before the end of July. Transfer of DUKW (SICILY) vehicles from AC to the Italian Government was completed on 13 June.

40. A total of 35,000 tons has been moved by road during the month, on priority haulage programmes, being an increase of 25% over the May figure. In addition, 12,700 refugees were moved across the ANCONA-LORETO rail gap.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUBCOMMISSIONS

PUBLIC RELATIONS BRANCH

1. Psychological Warfare Branch was liquidated on 15 July and private newspapers are now responsible for the collection of articles and news items.

2. The revival of pre-fascist newspapers was discussed during the month but the project has met with opposition from some elements of the civilian population.

3. Approximately twenty releases on various subjects, including further transfers of territory, wheat prices and special announcements for AMG in the North, arranged for simultaneous publication through PWB 15 Army Group, and more than one hundred hometown biographical releases on U.S. personnel were issued by the Allied Commission during the month.

NAVY SUBCOMMISSION

4. The Commander-in-Chief, Mediterranean has directed that captured material of German and Italian Naval origin, including that previously in the possession of the Italian Republican Navy, if not required for Allied Naval purposes may be turned over to the Italian Naval authorities for [illegible]. The Navy Subcommission has been designated by the Commander-in-Chief, Mediterranean, as the agency responsible for the disposition of such material.

5. In accordance with instructions received from the Supreme Allied Commander and from the Commander-in-Chief, Mediterranean, the Navy Subcommission has informed the Ministry of Marine, that any action to be taken concerning ex-Italian Republican Navy personnel still at large, is the responsibility of the Italian Government. Such personnel cannot be taken into Allied protective custody either as prisoners of war or surrendered enemy forces.

6. The Commander-in-Chief, Mediterranean, has directed that Italian Merchant Vessels in the Mediterranean which carry Italian armament manned by Italian Naval personnel are now to be disarmed. Such action will permit a considerable number of Italian Navy gun crews to be released in order that they may rejoin other branches of the Italian Navy.

LAND FORCES SUBCOMMISSION (MMIA)

7. On 1 July approximately 18,000 Italian Service Units (PW) assigned to American formations changed their status to US-ITI and former cooperator units passed under administrative control of 212 Italian Command and 205 Administrative Div HQ. Approximately 7,900 men will be demobilized when released by the employing unit. About 17,000 Italian cooperators serving in ITALY were transferred from PW status to SA-ITI status as from 1 July: of these about 6,000 are of the age for demobilization.

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LAND FORCES SUBCOMMISSION (MMIA)

7. On 1 July approximately 15,000 Italian Service Units (PW) assigned to American formations changed their status to US-ITI and former cooperator units passed under administrative control of 212 Italian Command and 205 Administrative Div HQ. Approximately 7,900 men will be demobilized when released by the employing unit. About 17,000 Italian cooperators serving in ITALY were transferred from PW status to BR-ITI status as from 1 July: of these about 6,000 are of the age for demobilization.

8. At the end of the month it was estimated that 20,000 out of the 50,000 of the 1914 and older classes (first four months) still remained to be demobilized. It was recommended to AFHQ that the rest of the 1914 class should be demobilized forthwith and other classes later, depending on the reduction in the services required.

9. Strong recommendations were made to AFHQ for the disbandment of the Italian Intelligence Units as it was considered that their roles had become obsolete. AFHQ agreed to the reduction of the EIGHTH Army 862 Intelligence Unit by about 50%. The Zurette Section will be disbanded on 1 August and the Technical and 135 Special Wireless Section will be reduced by half on that date. Orders for the disbandment of the Italian Increment to No. 1 Special Force have already been issued to the War Ministry.

AIR FORCES SUBCOMMISSION

10. Personnel of the Italian Air Force performing Air Transport and Air Sea Rescue functions are efficient and keen but the morale of those not engaged on these duties is low owing to the restriction of activity and uncertainty of their future.

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11. Authority was received from HQ MAAF for the release of captured enemy war material of Italian Air Force origin to the Air Forces Subcommission. Issues to the Italian Air Force of such material as may be necessary for ground personnel within the authorized ceiling and to support authorized flying programmes will be made. Sufficient signals equipment was discovered in I.A.F. Depositories or held in factories in the North of ITALY to make the Italian Air Force self-supporting in most respects for a considerable time to come.

COMMUNICATIONS SUBCOMMISSION

12. Marked progress was made in restoring communications facilities. Foreign mail service is now authorized between ITALY and all countries except JAPAN and Japanese controlled territory, GERMANY, AUSTRIA and HUNGARY.

13. Internal censorship was abolished in ITALY except for the border provinces.

WAR MATERIAL DISPOSAL & ITALIAN PRISONERS OF WAR SUBCOMMISSION

War Material Disposal

14. The armies continued to control all captured material throughout the month.

15. Steps have been taken to provide 10,000 tons of brass and copper cartridge cases for the production of copper sulphate. 75,000 to 80,000 tires were offered by the R&D Salvage (Br) and arrangements have been made for their delivery to Pirelli Works, ROME. 144 derelict vehicles were inspected during the month, eight being returned to the Italian Ministry of War and nine to the Ministry of Transport; the remainder have been passed to firms and individuals for rebuilding. Arrangements are in progress to use six German pontoonsleft derelict in the Tiber, for river transportation.

Italian Prisoners of War

16. In June 6,023 Italian PW were repatriated to ITALY. Of this number approximately 50% were sick and wounded, the remainder included about 400 Italian seamen, 973 civilians, with the balance made up of specialists required to fill specific appointments in ITALY. It has been agreed to repatriate approximately 4,200 Italians from France in the early weeks of July.

17. Compassionate, welfare and financial cases dealt with during the month numbered 1,160.

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Rear Admiral, USNR
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HEADQUARTERS ALLIED COMMISSION
APO 394

MONTHLY REPORT

MAY 1945

Ref: 824/EC.

11 July 1945.

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POLITICAL SUMMARY

1. Political developments during the past month have been dominated by the discussions between members of the Government, the Central Committee of National Liberation and the Committee of National Liberation in Northern ITALY. On 5 May a delegation of the CLNAI consisting of ten delegates, two from each party, the Labour Democratic Party being represented in the CLNAI, was brought to ROME by air from MILAN. The delegation presented to Signor BONOMI a five-point programme as follows:

   1. Epuration not only in the political but also in the administrative and economic fields;

   2. Clarification of the relations between Prefects and Regional and Provincial Committees of Liberation;

   3. Economic reconstruction to be financed particularly by those who profited from years of autarchy or by collaboration with the Fascists and the Germans;

   4. Agrarian reform;

   5. A foreign policy "free from any kind of nationalism" and aiming at democratic collaboration among nations.

2. During the week of discussions in ROME, agreement was almost reached by all the parties on Signor NENNI's suitability as the next Premier. At the last moment, however, the Christian Democratic Party withdrew its support and the discussions petered out. The delegation returned to MILAN on 14 May. The political leaders who had remained in the North were puzzled and inclined to think that the delegation had mishandled the situation and allowed all the prestige, which the CLNAI had won during the days of the popular insurrection, to wane.

3. On 17 May, Signor BONOMI, with various members of the Government and representatives of the Socialist and Action Parties, travelled to Northern ITALY in order to establish contact with Northern political groups. Signor BONOMI confined his visit to his home town of MANTUA but the other leaders visited most of the Northern cities. A week of discussions between the parties followed but serious disagreement developed over the insistence of the three left wing parties on the right of the CLNAI to dictate the composition of the Government. The Liberals and Christian Democrats took the attitude that it must be done in consultation with leaders from the South and by constitutional means, that is, through the Lieutenant of the Realm.

4. A final meeting was held on 23 May between the CLNAI, the Secretaries of the parties and the members of the ROME Government in the North and full agreement was reached on the following lines: 5208

   1. It was necessary to form a new Government.

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3. Economic reconstruction to be financed particularly by those who profited from years of autarchy or by collaboration with the Fascists and the Germans;

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1. It was necessary to form a new Government.

2. The head of the Government should be changed.

3. All six parties should participate in the new Government.

4. Key positions in the new Government should be held by men who represented the progressive spirit shown by the people in their struggle for liberation.

Having taken this decision, the political leaders decided to break off the talks for the time being and members of the Government returned to ROME on 25 May.

5. As a result of the talks it seems that Signor DE GASPERI had agreed that Signor BONOMI would not be the next Prime Minister, in order to ensure the inclusion of the Socialist and Action Parties in the new Government. It is understood that Signor BONOMI would not resign until a new cabinet has been agreed.

6. At the/.....

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6. At the meeting of the Council of Ministers on 12 May plans were made for the integration of the police and partisan units and for the incorporation of partisan units into the regular army. Other items of interest are the announcement made by Signor BONOMI on 15 May that 200,000 German prisoners are to be made available for work on Italian reconstruction and the Italian request to the International War Crimes Commission for permission to try, in ROME, those responsible for the Fosse Ardeatine executions.

7. Signor NENNI, speaking on the question of TRIESTE on 10 May, repeated the Socialist thesis that the Italian character of the city could be preserved by a democratic understanding between the Italian and Yugoslav peoples and a rectification of the Eastern frontier in such a way as to do justice to both parties. In short, the final solution should take into account both the "Italian character" and the "European function" of the city. The Democratic Party issued an order of the day on 4 May which was much less conciliatory in tone and affirmed the Italian character not only of TRIESTE but of all VENEZIA GIULIA and ZARA as well and called on all parties to rally to the defence of the integrity of the national territory. The announcement on 8 May that Marshal TITO had appointed a commander of the town of TRIESTE caused general uneasiness and the Council of Ministers on 9 May charged Signors BONOMI and DE GASPERI to take the matter up with the Allied authorities. On 12 May the Council of Ministers, having heard the report of Signors BONOMI and DE GASPERI, asked formally that the occupation and administration of Italian territories be carried out by the powers with which ITALY signed the Armistice. Signor DE GASPERI in an interview two days later told a United Press correspondent that if Marshal TITO persisted in holding TRIESTE by force the result would be a nationalistic and reactionary Government in ITALY with consequent danger to the future peace of EUROPE. On 15 May the ROME newspapers carried the news of the British and American notes to Marshal TITO asking him in substance to turn over VENEZIA GIULIA to AMG. The Democratic Party paper "Italia Nuova" hailed this development with satisfaction as evidence that the Allies were not going to consent to the solution of problems by force and the other party papers followed the same line with the exception of the Communist paper "Unita" which played down the story and affected scepticism as to the existence of the notes.

8. Italian reactions to the reports of French military activities in PIEDMONT have on the whole been very calm and Signor DE GASPERI stated on 14 May that the question was "not important".

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9. The economic barrier between the North and the South was lifted on 28 May but the Italian organisation ENAC and its opposite number in the North will continue to exercise control over transport carrying commodities from the North to the South.

10. On 10 May the Supreme Allied Commander decided to return to the Italian administration the Provinces of GROSSETO, SIENA and AREZZO in TUSCANY; TERNI and PERUGIA in UMBRIA; and ASCOLI-PICENO, MACERATA, ANCONA and PESARO in the MARCHE. The port and commune of ANCONA remains however under AMG. This development brings approximately three fifths of ITALY and twenty four million Italians back under direct Italian administration.

11. Liberty of civilian movement in ITALY was restored on 28 May and Italians may now move freely throughout ITALY up to the security control line, which follows the course of the River PIAVE, and the 25-kilometre prohibited frontier zone which stretches along the whole line of the Italian frontiers with FRANCE, SWITZERLAND and AUSTRIA.

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PART I.

RESUME OF CONDITIONS IN THE NORTH OF ITALY
ON OCCUPATION AND REGIONAL REPORTS.

1. Operations in May were a continuation of the Allied Armies swift break-through of the German winter line during April, culminating in the surrender of the German Armies in ITALY on 2 May and finally in the total surrender of GERMANY on 8 May.

2. Shortly after the first of May a new phase of AMG began; this was the establishment of military government in cities and communities which had not experienced the ravages of war and which saw a victorious Army sweep past hard on the heels of a flying enemy. Enormous areas had to be covered by AMG teams who, prepared to find chaotic conditions, found instead outstanding normality. Trains were running in every provincial capital in the North of ITALY, electric light and water were functioning in most large cities and shops were well stocked. The Committees of National Liberation were conducting Provincial and Communal administration with efficiency, and AMG was therefore faced with the entirely novel problem of tactfully taking over the reins from an existing organisation, in contrast to its experience further South where no such organisation was functioning at the time of liberation.

3. Partisans were well organised and took great pride in their part in bringing about the collapse of German tyranny in ITALY. They helped the Committees of National Liberation to establish a government and, in some areas, notably GENOA, they dominated the entire situation until the arrival of the Allied Armies. They had been given clear directives as to the arrival of AMG and were helpful and cooperative.

4. Many problems arose in disarming partisans. In those areas where the Army swept through and quickly demonstrated power, the partisans responded at once to the order to disarm and return to civil life; the war had passed them and there was no real need for them to fight to protect their land. In other sectors, where complete liberation was slower, there was another and more difficult problem. The partisans were loth to surrender their weapons until the surrendered German troops were disarmed and removed from such areas. There were also Fascist groups organised for resistance and until they were tracked down the partisans were disinclined to part with their arms. MILAN, TURIN, TRENTO and BOLZANO Provinces were examples of this problem. The OC IV Corps, in collaboration with the Chief of Staff of the Italian Army, therefore issued an order that partisans should be disarmed and their weapons turned in on or before 7 June. This order was, on the whole, well obeyed and by the end of May a steady stream of weapons - mostly rifles - was coming in from the partisans to the collection centres. Many arms however still remained hidden.

5. The defeat of the Fascist and Nazi powers accelerated the volcanic outbursts of accumulated hatred of years and the oppressed were tempted to [illegible] in some instances paid off by

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5. The defeat of the Fascist and Nazi powers accelerated the volcanic outbursts of accumulated hatred of years and the oppressed were tempted to become the oppressors. Old grudges were in some instances paid off by private killings. The largest number of murders occurred during the first days following the German collapse and especially in large cities such as in MILAN and TURIN. These murders for revenge and for political motives continued throughout the month but on an ever decreasing scale as AMG became more firmly established.

6. One of the greatest problems which developed with the rapid advance of the Armies in ITALY and the conclusion of hostilities in EUROPE was the uncontrolled movement, mainly across the AUSTRIAN-ITALIAN frontier, of refugees, displaced and stateless persons, Italian labourers who had been sent to GERMANY and Italian Prisoners of War from GERMAN Prisoner of War Camps. This movement started before the full complement of control camps and assembly centres could be set up and extra transport was provided as far as possible by back-loading Army vehicles. During the month about 80,000 Italians returned to

their homes/....

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their homes South of the line MIRTNA-ROLOGNA-PORRA alone, while many thousands returned to their homes in the North.

7. The food situation was not as acute as was anticipated in the provinces liberated prior to the capitulation of the Germans. Supplies were drawn from Allied Commission food depots and delivered directly to the provincial capitals, placing the responsibility for delivery on the communes or the Consorzio Agrario Provinciale.

LIGURIA REGION.

8. The Regional Committee of National Liberation is working harmoniously under AMG. Many partisans have been demobilized and have returned to their homes and the collection of arms has proceeded from fair in the larger cities to poor in the rural, mountain areas. Deaths by violence and shooting a sharp reduction, none occurring in GENOA during the last three days of May. There has been an improvement in law and order.

9. The food situation remained difficult. Bad weather made it impossible for landing craft to unload at the beaches for several days during the month and this made it necessary to haul from LEGHORN to GENOA; the length of the haul severely taxed all resources to keep abreast of the need but the situation was eased by the quantities of vegetables and fruit available.

10. Additional Carabinieri in strength have arrived in the Region but in some places, particularly in LA SPEZIA and IMPERIA, the Carabinieri have not been well accepted by the Partisans; efforts to improve this situation have been made by the assignment of one Carabiniere and one Partisan to work together.

11. A deputation of CGIL representatives of industry, finance and the Chamber of Commerce left for ROME to discuss labour problems of Liguarian industries. Metallurgical firms, which form the bulk of the Region's industry, find themselves, after a long period of armament production, responsible for the payment of wages to large numbers of labourers for whom they have no productive employment. Such payments are reducing these companies to bankruptcy but failure to make them will present serious social and political consequences to the workers and the communities of this area. Conversion to peacetime production is hampered by lack of coal.

12. Recent rains have improved the future crop prospects and approximately 2,500 tons of assorted fertiliser is being allocated to farmers. 600 horses are scheduled to arrive in the Region from TURIN for distribution. Fishing [illegible] and distribution of fuel for the fishing boats

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12. Recent rains have improved the future crop prospects and approximately 2,500 tons of imported fertilizer is being allocated to farmers. 600 horses are scheduled to arrive in the Region from TURIN for distribution. Fishing is proceeding regularly and distribution of fuel for the bigger boats commenced. No olive oil is being amassed due to disagreement over prices.

13. Local telephone service is available in each province and long distance service is functioning to each provincial capital. Telegraph facilities are open from GENOA to LA SPEZIA, SAVONA and ALASSIO, and civilian postal service continues to function under Allied Civil Censorship. Rail lines are open to MILAN and TURIN.

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PIEDMONTE REGION

14. Upon the entry of AMG to Piemonte Region on 5 May, the Regional Committee of Liberation was found to be in complete control. In TURIN, public services were functioning and ample evidence was available as to the splendid work of the partisans in preventing destruction by the retreating Germans.

15. The welcome afforded the Allies was spontaneous and sincere, and the publication of the usual proclamations defining penalties for attacks on Allied troops and restricting movement of civilians caused some bewilderment amongst the population.

16. AMG was faced with two major problems, namely, the tactful acquirement of reins of government from the CLN and the disarming of about 35,000 partisans who, fully armed, thronged the streets and public buildings. The end of May saw the first problem surmounted without major incident and the second well on the way to solution.

17. The occupation by French troops of border areas in AOSTA, CUNEO and TURIN Provinces, the issue by French authorities of various orders to the local inhabitants, and the intermingling of French currency with the official currency, all have complicated the establishment of AMG in the areas affected.

18. Estimates as to the number of Fascist executions in PIEMONTE prior to the arrival of AMG vary between 1,500 and 5,000 and the abolition of tribunals by AMG created certain misgivings as to whether the Allies intended to deal stringently with Fascists. However, illegal executions ceased immediately and the Region quickly settled down to an orderly routine.

19. Political activities have been on a surprisingly small scale, the Communist being the most active party.

20. The food situation is fair but, for a surplus producing area, few large stocks are held. Wheat planted is 25,000 hectares, approximately 8% less than 1944, and the rice planted is approximately 18% less than the 1944 figures. The total head of cattle is estimated at 40% below normal, and slaughtering therefore will have to be minimised.

21. The health of the civilian population is exceptionally good. One case of typhus, an Italian PW who arrived in AOSTA from GERMANY, has been discovered.

22. The high sense of discipline and order amongst the general population has been a feature in the rapid and peaceful transition from war to peace conditions.

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22. The high sense of discipline and order amongst the general population has been a feature in the rapid and peaceful transition from war to peace conditions. 520

23. The recovery of the Region's prosperity depends entirely on the importation of coal and raw material.

LOMBARDIA REGION

24. All political activity in LOMBARDIA, especially in MILAN, centered in the attempt to solve the governmental crisis by the inclusion of representatives of Northern ITALY in the Italian Government. Basic and fundamental political agitation and labour unrest hinged, however, upon the rising cost of living, the demand on the part of the workers for payment of salaries despite the fact that industries were not in production, demand on the part of the workers for a real epuration of industry, insistence by all parties, especially parties of the left, that governmental epuration should take place and that those who collaborated with the Germans and with the Fascist Republicans be punished.

25. Damage to/.....

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25. Damage to works and buildings in LOMBARDIA with the exception of MILAN city, was less than anticipated. Although there has been some damage to transmission lines and substations, there has been no serious damage to generating plants; there is approximately 1,000,000 KW of generating capacity installed in the Region, of which 994,000 KW is hydro and the rest thermal. 8,000 tons of calcium carbide is estimated to be in stock in Northern ITALY and a good stock of ferro-silicon and some silicon manganese are also available.

26. About 7,000 horses and mules are being brought in to LOMBARDIA Region from Northern ITALY.

27. There were no serious civil disturbances in the Region although demonstrations took place. The number of murders committed in MILAN city showed a decline by the end of the month and the Guardia di Finanza and the Guardia Municipale were efficient. There were very few cases for trial in AMG courts. Italian courts functioned normally throughout the Region and a section of the Court of Cassation was established at MILAN to deal with appeals brought from the Special Courts of Assize. The Special Courts of Assize were sitting in all provinces.

28. Public health in the Region is good, but there is an increase in cases of tuberculosis and venereal disease. Insulin presents the only acute shortage in medical supplies at the moment. Provincial Welfare Departments were established in all provinces except SONDRIO. Municipal restaurants were functioning on the arrival of AMG and these are being continued.

29. Since 1 May 12,452 displaced persons have been registered and handled by Displaced Persons Camps in LOMBARDIA Region. Eight camps have been established with a total capacity of 22,500.

30. With exception of two road services, MILAN to BOLOGNA and MILAN to VERONA, all provinces are served by rail communication. All telephone services, with the exception of the MILAN-BOLOGNA line, were opened during the month.

VENEZIE REGION

31. Owing to the presence of large enemy forces trapped up against the Alps the five Western Provinces remained under control of FIFTH Army throughout the month, though, by mutual agreement, much of the routine administration was carried out by AMG Venezie Region.

32. Large numbers of patriots were found in the Region. In the plains they were largely underground groups, but in the hills, particularly in BELLUNO, UDINE and TARVISIO, there were large well-armed formations with a fair degree of discipline and military organisation; they had played an

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32. Large numbers of patriots were found in the Region. In the plains they were largely underground groups, but in the hills, particularly in BELLUNO, UDINE and TARVISIO, there were large well-armed formations with a fair degree of discipline and military organisation; they had played an important part in blocking the German escape routes and in saving from destruction the hydro-electric plants in the mountain valleys. The disarming of the patriots has been effected gradually and without serious trouble.

33. On the whole, CLNs have been helpful and cooperative. All the ten Prefects in the Region were local nominees and it was obvious that any attempt to introduce career Prefects from the South would be resented. The men now holding office have given an impression of keenness and a desire to help in the reconstruction of their country.

34. Refugees/.....

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34. Refugees proved a real problem. Contrary to expectations, the main flood of refugees came, not down the BRENNER PASS, but out of AUSTRIA through TARVISIO, then by UDINE. During the month about 100,000 refugees and displaced persons were officially evacuated by Army motor transport down the route UDINE - TREVISO - MESTRE - PADOVA. Many tens of thousands of others made the journey on foot.

35. Some towns such as VERONA and BOLZANO were badly damaged, but many others, including the Island of VENICE, were untouched. Road and railway communications were interrupted by broken bridges, but not to the extent found in Central and Southern ITALY. An urgent problem was the repair of the damaged embankments of the Rivers ADIGE and PO before the rivers rose with the melting snow. Assistance was given by EIGHTH Army and the situation was in hand by the end of the month. Electric power plants were almost undamaged.

36. The possibility of inland water transport through the network of canals along the Adriatic Coast is being considered. The opening of the port of VENEZIE at the end of the month improved the transport situation in the Region.

37. Food was in fairly good supply except in the Eastern communes of UDINE where raiding parties from VENEZIA GIULIA had cleared the countryside of foodstuffs. There were no serious outbreaks of disease.

38. In the East the dispute with YUGOSLAVIA on the VENEZIA GIULIA caused a concentration of troops in Eastern UDINE and as a result, certain difficulties with the patriots. In BOLZANO the existence of a large German speaking population caused concern but this was mainly a FIFTH Army problem.

39. The Southern Provinces of VENEZIE Region normally obtained considerable quantities of methane gas, a substitute for petrol, from ROVIGO Province. It was found necessary to use the methane pipe line from ROVIGO to PADOVA for military petrol and it is hoped that it will be restored to civil use for methane gas towards the end of June.

EMILIA REGION

40. There have been no political clashes but the Communist Party is very well disciplined and is particularly strong in BOLOGNA Province, while the Socialist Party has its greatest following in REGGIO-EMILIA and PARMA. The Christian Democrat Party and the Liberal Party are still in the early stages of organisation.

5205

41. All the provinces in EMILIA Region were able to supply a bread ration from their own flour stocks. Salt, sugar, lard and milk were supplied in the Region, and on the whole the food situation was exceptionally good, BOLOGNA city affording the only problem. Drought and damage caused by war will, however, lead to a considerable

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42. All banks are open and deposits are considered satisfactory.

43. Public health was good but the sanitary conditions and the water supply of BOLOGNA city were a major problem. The electricity supply, which has been good in all other provinces, has been poor in BOLOGNA where heavy damage was done. The greatest obstacle to industrial recovery is the lack of coal, POL and civilian transport.

44. The initial phases of liquidation of fascists by patriots and others has been succeeded by a wave of crimes of murder, extortion and abduction, often to further private ends. The witness dare not come forward and the Carabinieri, who are badly officered and poorly equipped, are afraid to press their investigations for fear of reprisals.

45. Reorganisation/....

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45. Reorganisation of the universities and schools is proceeding most satisfactorily and, with a few exceptions, Italian courts are functioning. Limited telephone and postal services are now available.

46. A gram of radium valued at 100,000,000 lire and said to constitute one-fiftieth of the world's supply, was restored to the University of BOLOGNA, after being hidden for eight months from the Germans by patriots.

47. Out of approximately 31,000 patriots, all but 500 have returned to their homes. Demobilization parades were held in BOLOGNA, MODENA, REGGIO, PARMA and PIACENZA.

48. Over 60,000 Italian refugees and other nationals passed through the displaced persons camps during the month.

TOSCANA REGION

49. Food supply throughout TOSCANA Region has improved slightly due to a small increase in the availability of meat, fish and fresh vegetables. The salt ration has been increased to 250 grams a head each month.

50. Agriculture has been impeded in APUANIA and, to a lesser extent, in Northern LUCCA Province, due to the large number of mines. Over 77,000 quintals of olive oil and 1,888,512 quintals of wheat have been amassed. Removal of some of the restrictions on fishing have resulted in increased production.

51. There have been no alarming outbreaks or disorder although several murders and thefts have been reported in FLORENCE Province. There was a prison break at Santa Teresa Prison, FLORENCE, as a result of which about sixty five inmates escaped but almost half of them have been recaptured. The reduction in the number of Carabinieri allotted to this Region (owing to the need of them in the newly liberated Regions) is causing concern, particularly among civilian officials who anticipate trouble when Allied control is discontinued.

52. There was a typhoid outbreak of small proportion on the Island of ELBA which was attributed to the contamination of fresh vegetables. Scabies in APUANIA is quite prevalent but active steps are being taken to combat the disease. Undulant fever continues to be a problem and one which has proved very difficult to solve due to the lack of active cooperation on the part of the owners of milk-producing animals. Generally the health of the Region is good but there has been a large increase in the number of cases of tuberculosis.

53. There has been an increase in unemployment mainly due to the removal of military units. Civilian telephone service is available to all Provincial capitals of TOSCANA except MASSA.

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ANCONA COMMUNE.

54. There has been little activity by any of the political parties during the month and the May Day celegrations, held for the first time for over twenty years, passed without incident.

55. Communal administration worked smoothly and the cost of living is on the downgrade. The relaxations in fishing restrictions resulted in catches being more than doubled.

56. War damage to buildings and water supplies was still the most serious problem but repairs to the reservoirs are almost completed. A regular train service for civilian use is now running between ANCONA and ROME.

57. On the whole, public health in the Commune has been good, but due to overcrowding, lack of water and soap, scabies has increased in the city and it has been necessary to establish an anti-scabies centre where treatment can be given.

NAPLES/.....

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AMG NAPLES COMMUNE

58. The end of hostilities in ITALY and EUROPE produced no startling reactions in NAPLES, which remained quiet during the month. Pride in the part played by the Italian partisans was tempered by surprise at the shooting out of hand of MUSSOLINI, his mistress and fascist leaders, and more particularly by repugnance at the primitive display of feelings displayed when the dead bodies were treated with contempt in MILAN. A demonstration in NAPLES on V.E. Day was orderly and reference to the Allies drew spontaneous applause. The Supreme Allied Commander's announcement on the subject of TRIESTE had a stabilizing effect on the Neapolitans.

59. Thefts of industrial and commercial goods still continue on a large scale and the murder of one Allied soldier has been reported.

60. Drought is seriously affecting crops over a widespread area so that grain requirements for next year will have to be increased.

61. NAPLES Commune has eighteen soup kitchens organised in the city from which approximately 11,000 rations are issued daily to the very poor. The ration consists of soup made up from soup powder supplied by the Allies, some dried vegetables and pasta, and is approximately 100 grams a head. The Cardinal Archbishop has a separate organisation for a similar purpose. 63,430 repaired garments were distributed during May.

62. The discontent over wages paid by the Allies as compared with those paid by trades in NAPLES continued. A meeting of the Labour Committee to consider figures with representatives of Italian labour resulted in an increase of 65 lire a day for skilled labour and 35 lire a day for other labour.

LIAISON OFFICER BARI.

63. There has been little of outstanding importance to report and few incidents occurred during the month. All civilians rendered homeless by the explosion, which occurred in the harbour on 9 April, have now been accommodated. The drought has caused considerable damage to the crops and the harvest is expected to be poor.

64. Food distribution has been satisfactory and it has been decided to form Price Control Commissions in all provinces in APULIA and LUCANIA; prices for unrationed foodstuffs, clothing and medicines have already fallen from 20 to 40 per cent.

65. Public health has been good and there have been no epidemics.

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65. Public health has been good and there have been no epidemics.

LIAISON OFFICER SARDINIA.

66. On the whole the public followed the activities of the political parties with indifference and sought more than anything else a solution to the governmental crisis which would recognise the real interests of the country, especially in the fields of political economy and finance.

67. The exceptional dryness and the serious grasshopper menace have destroyed much of the cereal crop. It is expected that not more than a few thousand tons of grain will be harvested. Fruit and pastures have been damaged due to drought and weather conditions.

68. 38,241 tons of Sulcis coal were mined during May showing an increase over the 28,600 tons mined in April. 14,980 tons of this total were exported.

69. Public/.....

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69. Public health remained satisfactory inspite of poor living and hygiene conditions which have been aggravated by war devastation.

LIAISON OFFICERS PALERMO AND CATANIA.

70. Enthusiasm for the Separatist movement appeared to be on the wane and little attention was paid to the political crisis but the problem of TRIESTE and VENEZIA GIULIA is a constant topic and the development of the situation is followed with deep interest.

71. The arrival of a considerable number of partisans created new problems; they demanded jobs and their domineering behaviour caused many minor disturbances.

72. There is a considerable amount of lawlessness in the island mainly due to the reduced number of Carabinieri and their poor morale.

73. An acute shortage of prison accomodation is affecting the functioning of the courts. Hundreds of cases are outstanding and totally inadequate sentences are imposed on those convicted.

74. There were 38 cases of typhus at CAPIZZI in the province of MESSINA resulting in ten deaths. At RAMACCA in the province of CATANIA fourteen cases of typhus were reported with no deaths. Two persons at PALERMO have died of the disease and there have also been two cases of smallpox in the town.

75. The new harvest has been seriously affected by the lack of rain.

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PART II/.....

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PART II.

CIVIL AFFAIRS SECTION

Defascism.

1. Several new Italian decrees were published in May. DLL 179, which permits the appointment of lawyers in the place of judges on Epuration Commissions, will relieve judges for normal duties and for the special Courts of Assize. DLL 195 enacts penal sanctions in the event of any repetition of fascist activity and DLL 196 confers on the High Commissioner for Sanctions against Fascism powers to appeal against sentences passed in matters dealing with fascist crimes.

2. An Italian decree dealing with the epuration of directors of private companies has not been enacted, although requested by this Commission, owing to the cessation of legislative activity of the Italian Government during the political crisis.

3. In the principal Ministries 35,532 of the 47,577 employees have been scrutinised and 7,188 have been sent for trial; 709 employees have been dismissed, 308 have been sentenced to compulsory retirement and 860 received lesser punishment. Of this total, 4,752 cases have been concluded.

Mine Clearance.

4. In territory newly liberated the mined area extends from the Adriatic coast across SICILIA and CALABRIA Regions to the Mediterranean. The coasts are heavily mined as are the northern provinces of TOSCANA Region.

5. Mine Clearance Units are being organised in these Regions. Schools have been opened in GENOVA and BOLOGNA, and other schools are being opened when instructors and equipment are available.

6. The total number of mines lifted during the past month was 91,231. This figure was lower than the previous month due to the fact that the 562/3 Companies have been moved to SICILIA Region and are at present being organised in that area.

7. The whole scheme is hindered by lack of transport and other equipment.

LOCAL GOVERNMENT SUB-COMMISSION.

8. The printed forms and documents for the preparation of Electoral Lists have been distributed to the provinces of TOSCANA Region which remain under Military Government. The Italian Government is printing the material for the five Northern Regions, in readiness for the time when it may be decided to commence the preparation of electoral lists in Northern Italy.

9. A reply has been received to the Allied Commission's recommendation that the provisions of the Decree of 1915, on the conduct of Municipal Elections,

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companies has now been effected, [illegible] the cessation of legislative activity of the Italian Government during the political crisis.

3. In the principal Ministries 35,532 of the 47,577 employees have been scrutinised and 7,186 have been sent for trial; 709 employees have been dismissed, 368 have been sentenced to compulsory retirement and 868 received lesser punishment. Of this total, 4,952 cases have been concluded.

Mine Clearance.

4. In territory newly liberated the mined area extends from the Adriatic coast across EMILIA and LIGURIA Regions to the Mediterranean. The coasts are heavily mined as are the northern provinces of TOSCANA Region.

5. Mine Clearance units are being organised in these Regions. Schools have been opened in GENOVA and BOLOGNA, and other schools are being opened when instructors and equipment are available.

6. The total number of mines lifted during the past month was 91,251. This figure is lower than the previous month due to the fact that the 562/3 Companies have been moved to EMILIA Region and are at present being organised in that area.

7. The whole scheme is hindered by lack of transport and other equipment.

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9. A reply has been received to the Allied Commission's recommendation that the provisions of the Decree of 1915, on the conduct of Municipal Elections, which the Italian Government proposes to revive, be amended so as to ensure a free and independent ballot. The Italian Government states that in its opinion the system is adequate and requires no amendment. This reply is under examination.

10. Out of thirty-seven Provinces (excluding VENEZIA GIULIA) liberated during April and May, Prefects are reported to have been formally appointed in only twelve Provinces, all of which are in EMILIA and VENEZIA Regions. In thirteen other provinces individuals are acting as Prefects with the consent of the Regional Commissioner in his capacity as PROAD, but formal confirmation by the SCAC has not yet been given. In all these cases the Prefects, or those acting as such, are nominees of the CLN and no case has been reported of the appointment of any of the career officials nominated by the Italian Government in ROME.

11. Requests have been received for career Vice-Prefects to be supplied for the provinces of FERRARA, BOLOGNA, PIACENZA, PARMA and REGGIO. Delay is being experienced in obtaining nominations from the Italian Government.

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EDUCATION SUB-COMMISSION.

12. The major work of the Education Sub-Commission during May was in the five Northern Regions. Much of the ground work had already been done by the Committees of National Liberation and as a matter both of AC policy and because of shortage of staff, Education Officers have utilised the CLN to the utmost.

13. It was found that the CLN had set up a Regional Education Office and, in many cases, provincial education committees. The provincial school committees of CLN were retained as advisory bodies for the Regional Education Officer and Provveditori agli Studi. The Regional or Provincial CLN had dismissed Fascist personnel and appointed new provveditori and, in many cases, new school heads and inspectors. While such suspensions and appointments still have to be confirmed, the new appointees were able to handle the schools until more careful and legal action could be taken.

14. In EMILIA 1,247 of the 2,570 schools are available for use. Of the balance 987 are damaged or destroyed and 223 occupied by troops or refugees. In the city of BOLOGNA only 16 of the 515 school rooms are available and classes are being held in odd rooms here and there and teachers homes. Full statistical data are not yet available from other Regions.

15. The redisposition of requisitions throughout ITALY is being examined with AMG.

16. In EMILIA, schools generally were reopened; in the other Northern Regions many reopened only for final examinations because they had functioned almost normally during most of the year. Wherever the school year was badly interrupted, however, summer sessions are being provided.

17. The printing of the defascised series of elementary text books for the current year came to a close early in May, the total having reached two million.

18. In the north all universities and other higher institutions of learning and cultural organizations such as operas and orchestras are being operated and Pro-Rectors or temporary directors have been appointed. University examinations are being held. Orchestras and operas are being made available to Allied Troops and some universities are offering courses for troops. Faculties of political science have been abolished.

19. Very few university buildings in the north have been requisitioned but many are severely damaged or destroyed.

20. Boy Scouts organizations, and to some extent Girl Guides, are getting under way in the North and are steadily increasing in the rest of Italy.

21. Publications desired by the National Library in NAPLES have been gathered by the American Library Association and have begun to arrive in Italy.

LEGAL SUB-COMMISSION.

22. There has been a substantial reduction in the number of cases heard by AMG

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LEGAL SUB-COMMISSION.

22. There has been a substantial reduction in the number of cases heard by AMG Courts. The position in NAPLES Comune (AMG) has remained almost unchanged and there is still a heavy volume of work at LIVORNO Comune (AMG): in this latter port, however, shortage of AMG personnel has necessitated the transfer of many cases to the Italian Courts. The most serious cases heard in NAPLES were prosecutions for the counterfeiting of A.M. lire on a large scale. Sentences up to 15 years imprisonment were imposed.

23. In North ITALY the number of AMG Court cases has been very small and have been mostly concerned with curfew offences and violations of travel permits. There has been a small number of prosecutions for possession of arms.

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24. The principal legal activity in North ITALY has been the establishment and operation of the Special Courts of Assize, for the trial of persons charged with collaborating with the enemy, and of the Special Section of the Court of Cassation in MILAN for the disposal of appeals from these courts.

25. The courts are now established and functioning in every province of the northern regions. There is difficulty in the provision of the large number of judicial personnel required to preside at these courts but this problem is being overcome. The number of persons at present in gaol awaiting trial before these courts is very large. For example, in REGGIO EMILIA there are estimated to be 1,200, in GENOA 1,600, in PADUA 2,000 and in MILAN 5,000. In MILAN Province, three persons out of twelve have been sentenced to death, in other Provinces in LOMBARDIA, none.

26. General Order No. 46 has been issued in the North to establish and regularise a form of epuration in private industry.

PUBLIC HEALTH SUB-COMMISSION.

27. Public health reports from the Northern Regions are most satisfactory. There have been no epidemics, water supplies are untouched, hospital accommodation is adequate and many medical supplies have been discovered.

28. The refugee problem is one which is causing anxiety from a Public Health point of view. The return to ITALY of hundreds of thousands of refugees and displaced persons, many of them louse infested and coming from typhus stricken areas and many suffering from tuberculosis and malnutrition is a matter for concern: all interested agencies are fully alive to the potential danger of this mass movement. The Swiss Government through the International Red Cross has offered the assistance of 80 doctors and 150 soldiers from Swiss Army medical units for the purpose of establishing a sanitary cordon between LAKE GARDA and the Adriatic to prevent the spread of illness. The mass disinfestation of returning refugees necessitates the use of large quantities of DDT in excess of stocks held by AC. AFHQ, with ready appreciation of the situation, have agreed to make Army stocks available and have also indicated that the military will, if asked, render every possible assistance in solving public health problems in ITALY.

29. Infant mortality in ROME is decreasing. The April figures were 70.7 per thousand as compared with 87.4 in March and 111.5 in February. Deaths from all forms of tuberculosis in ROME were 237 in April as compared with 255 in March.

30. The Ministry has re-established the pre-war allocation of funds for the control of communicable animal diseases. The incidence of animal disease was not high during the month, foot and mouth disease being only sporadic and a few cases only of brucellosis being reported from GROSSETO. 160,000 cattle in Central and Southern ITALY and SARDINIA have been vaccinated against rinderpest

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26. General Order No. 46 has been issued in the North to establish and regularise a form of epuration in private industry.

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31. Lack of proper coordination between ANNRRA and the Ministry of Interior has led to delay in the delivery of supplies to many provinces. Medical supplies to cover the first six months of the current year are arriving at NAPLES, BARI and LEGHORN.

PUBLIC SAFETY SUB-COMMISSION.

32. Immediately upon the liberation of the North and before AMG was firmly established, certain bands of Partisans took the law into their own hands and instigated mass killings of known fascists; armed men masquerading as partisans satisfied personal grudges by extortion and murder; wholesale political arrests, often unsupported by sufficient evidence, kept the prisons in a bad state of overcrowding. However, towards the end of the month the authority of AMG began to be realised, demonstrations were fewer and more orderly, the numbers of murders and cases of extortion committed were substantially smaller and courts were set up; the Northern Regions began to settle down to a normal life and security began to be restored to the people.

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33. Questori and Vice Questori in the North in most cases are CLN appointees, most of them with little or no former police experience. Career Questori from the South are resented but appointments are being made as the situation tempers sufficiently.

34. Forgeries of Allied currency are being suppressed in the South and except in a few localities have not appeared in the North.

35. Prostitution is a continuing major problem in the South and preventive control measures are being instituted in the early stages in the North where, due to mobility of the troops, it has not yet become a problem.

36. Relations between Allied Military Police Units and Italian Police are excellent in the North. A few clashes in the South have been reported but no major adverse condition has arisen.

MONUMENTS, FINE ARTS & ARCHIVES SUB-COMMISSION.

37. Preliminary reports show that movable works of art in N.W. ITALY and in the PO Valley are safe and in good condition. A cache of works of art, believed to be from VENICE, is reported near KLAGENFURT. Ninety nine per cent of the missing TUSCAN works of art have been recovered in two caches in BOLZANO Province in good condition.

38. Notable items not yet accounted for are two crates of precious antiquities from CYRENAICA, transported to the North in 1943 from the Museo Coloniale in ROME and no confirmation has yet been received of press reports that the Neapolitan works of art missing from MONTECASSINO have been recovered. Almost the entire German Fine Arts staff and their records have been captured.

39. Damage to monuments in the North West is slight, except for the heavily bombed cities of GENOA, MILAN and TURIN. In general in the PO basin outside VENICE isolated monuments only were damaged, in particular at PARMA the Teatro Farnese and at BRESCIA S. Maria dei Miracoli. In VENICE, VERONA and VICENZA are severely damaged. Libraries have suffered heavily, notably at TURIN and BRESCIA.

40. Air raid protective covering is being demolished and two temporary exhibitions for troops are already open in VENICE, one of VENETIAN primitives, the other of the famous classical and renaissance bronzes. The new museum at OSTIA opens on 12 June.

41. It is reported that, on the whole, condition of Archives in the Northern Provinces is good.

PATRIOTS BRANCH.

42. Considerable headway was made with the dispersal and disarming of Patriots, particularly in the agricultural areas; in the frontier districts and the large cities the Patriots have proved somewhat unwilling to lay down their arms and go home but [illegible]

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42. Considerable headway was made with the dispersal and disarming of Patriots, particularly in the agricultural areas; in the frontier districts and the large cities the Patriots have proved somewhat unwilling to lay down their arms and go home but those that remain are for the most part still in their original formations and well disciplined. In addition the Allied authorities have found it necessary to retain a number of Patriots for special police duties and "mopping up" purposes, notably in TURIN, MILAN, GENOA (where a special force of 2,100 is being employed) and UDINE (where the OSOPPO and GARIBALDINI Groups have been retained). By the end of May, 45,600 weapons had been collected in LOMBARDIA and 46,300 in EMILIA. In VENEZIA, where there are still a certain number of armed Germans at large, the Patriots have been ordered to store their weapons in central armouries from which they can be drawn should they be required. It is clear, however, that although a very large number of patriots have attended ceremonial disarming parades and handed in one weapon, they still possess many which have not been declared.

43. Twenty-three Patriot Centres were in operation by the end of May.

44. The immediate enlistment of 4,000 volunteers into the Italian Army

/has been .....

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has been sanctioned, and the three screening (Recruiting) agencies under control of AMG have reverted to Italian Army control for use, if required, in connection with this intake.

DISPLACED PERSONS AND REPATRIATION SUB-COMMISSION.

45. The rapidity of the advance of the Armies in ITALY and the conclusion of hostilities in EUROPE resulted in uncontrolled movement, mainly across the AUSTRIAN-ITALIAN frontier, starting before the full complement of control camps and assembly centres could be set up. The movement of these refugees has been aided by back-loading empty Army transport. About 80,000 Italians have returned to their homes South of the line MODENA-BOLOGNA-FORLI and many thousands have returned to their homes in Northern ITALY. Apart from returning Italians, some Poles and Jugoslavs, uncertain of the eventual position in their respective countries, have moved into ITALY.

46. A civilian doctor, working directly under the Camp Commandant, has been allocated to each refugee camp. On 1 June UNRRA are to take over distribution of supplementary rations to Allied Nationals. A medical survey of Northern ITALY is being carried out with a view to typhus and tuberculosis control.

47. At the end of the month a total of 79,946 persons were recorded by the Records Bureau covering 72 different nationalities. Of these the location of approximately 60,894 is known and the remaining 19,052 were known to have been in ITALY during the past year.

48. While financial assistance for these displaced persons and refugees will probably be needed in due course the whole situation is, at present, so fluid that any programme which could be effected would benefit relatively few people. Meanwhile, the Swiss Consular Office is continuing loans to AMERICANS, GREEKS, POLES, YUGOSLAVS, and a few other nationalities.

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PART III.

ECONOMIC SECTION.

AGRICULTURAL SUB-COMMISSION.

1. Damage to land reclamation and forest areas in Northern Regions has been slight.

2. Crop estimates throughout ITALY are not as promising as had been hoped due to extensive drought, shortage of fertilizer in recent years and frost in Northern areas. Grasshopper outbreaks in SARDINIA could only be partially controlled due to the lack of preventative material.

3. The 1944 Granai del Popolo collections reached 1,165,857 metric tons of wheat. A decree controlling the 1945 harvest in Italian Government territory and General Order No. 40, carrying out the terms of that decree in Military Government territory, were published.

4. Redistribution of livestock continued and captured draft animals were allocated to civil needs in Northern ITALY.

5. Relaxation of regulations have resulted in extensive fishing operations, and for the first time in many years the fishing industry reported a large catch in all areas.

COMMERCE SUB-COMMISSION.

6. It was agreed that the Ministry of Industry, Commerce and Labour would take over the complete control of distribution of tyres and tubes in Italian Government territory. The necessary Ministerial Directive has been drafted and approved by this Headquarters.

7. 1,000 tons of newsprint arrived from AMERICA, but 660 tons were used for the repayment of a loan made by AFHQ Printing and Stationery Services Directorate from Mideast stocks. 1,022 tons of newsprint were located in Northern ITALY and utilized for printing newspapers in the Northern cities.

8. Approximately 1,500 Kgs. of raw silk from 1944 crop have been successfully hidden from German requisitions.

9. Shipments during the month represented a value of over 100 million lire. With the expansion of COGNA (Shipping) activities and the relaxation of control by the Allies, it became necessary to hand over to the Italian Government complete control of supplies of POL for COGNA.

10. The Regional Welfare Officers of PIEMONTE, LOMBARDIA, LIGURIA, EMILIA, VENEZIA and TOSCANA Regions were allocated 15,000 blankets each for distribution to hospitals and war refugees.

FINANCE SUB-COMMISSION.

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FINANCE SUB-COMMISSION.

11. The 5% five year issue of Italian Treasury Bonds has been most successful, a total of 31 billion 15 million lire having been subscribed. The Minister of the Treasury wished to extend the loan to Northern Italy but decided not to do so in the face of opposition from the CLNAI.

12. Information uncovered in Northern ITALY indicates that from 10 September 1943 to 30 April 1945 the Republican Fascist Government spent 359.6 billion lire, of which 189 billion lire represents German occupation costs and reimbursement to Germany of war costs.

13. The total Italian Government indebtedness is now approximately 850 billion lire, of which 250 billion is consolidated and redeemable and 600 billion floating debt. The currency circulation of Italy is now approximately 285 billion lire exclusive of the 61.3 billion AM lire in the hands of the Italian public and banks on 31 March 1945.

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14. It is estimated that the budget deficit for all of Liberated ITALY for the fiscal year 1944-45 will be approximately 350 billion lire.

15. No AM Lire or metropolitan lire will be used to pay surrendered German troops in ITALY. German Army funds are being seized as war booty and the problem of collecting lire currency now in the possession of individual German soldiers is being investigated.

16. The Council of Ministers has passed a decree which established a new foreign exchange control agency, the Ufficio Italiano dei Cambi, and liquidated the old agency, Istocambi. The new agency will have an autonomous management headed by the Governor of the Banca d'Italia and under the control of the Ministry of the Treasury.

17. Twenty-three tons of gold discovered at FORTEZZA, near BOLZANO has been transported to ROME and placed in the vault of the Allied Financial Agency Sub-Section, pending instructions as to its disposition. The Banca d'ITALIA has stated that this gold was part of the Bank's gold reserve which was taken north by the Fascist Republican Government prior to the liberation of ROME.

18. All currency seized from the enemy or found abandoned will be turned over to the Finance Sub-Commission pending later settlement. Several billion lire have already been received. It is planned to reopen stock exchanges in MILAN, GENOA, TURIN and VENICE early in July and the opening will take place simultaneously in all these cities.

FOOD SUB-COMMISSION.

19. Allied Commission food stockpiles on Eastern and Western coasts were more than adequate to cope with the demands of the Northern provinces and transport was the controlling factor in determining the amount of food that could be issued. By the end of the month a total of over 19,000 tons of food had been issued from warehouses on the East coast, distributed over the whole of the PO Valley and over 5,000 tons from the warehouses on the West coast were distributed to the Ligurian coast.

20. Considerable stocks of grain, rice, sugar and cheese have been declared in Northern Provinces and these will be incorporated in plans for the provisioning of North ITALY.

21. Imports of foodstuffs during the month were again on a large scale. In particular, cereal imports were heavy, amounting to over 140,000 tons, which enabled reserves of grain to be built up in all the deficiency areas so that the grain supply is now amply assured until the next harvest.

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22. The figures of locally produced grain are still satisfactory, there being 198,000 tons in warehouses, of which 84,000 tons are still available for allocation.

23. 17,500 tons of foodstuffs were moved by rail and over 4,000 tons were moved coastwise during the month. These figures are in addition to the large quantities moved by Italian organisations. Salt shipments during the month were lighter but the Southern position is very satisfactory and there are considerable reserves in the ROME and NAPLES areas.

24. The yeast position has been materially improved with the liberation of the North. Plants have been found in good working order at MILAN, GENOA, PADUA and UDINE. In addition, the yeast production at BARLETTA has been increased.

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25. The midshift meal for workers employed by the armed forces has been increased by the addition of 125 grams of bread a meal. A supplementary ration for harvest workers of 150 grams of bread and 50 grams of pasta has again been adopted for this year's harvest.

INDUSTRY SUB-COMMISSION.

26. Ninety per cent of industrial capacity of the North has escaped destruction and industry in ITALY is now dependent only on imports of coal, cellulose, rubber, cotton and wool.

27. The reopening of the Soda Solvay Works at ROSIGNANO on 23 May has increased production of glass, washing wool, pharmaceutical goods and has considerably reduced the price of caustic soda.

28. There has been an improvement in the production of SARDINIAN coal and the Italian Government has been urged to encourage and foster further increases in production. The production of lignite has been handicapped by shortage of transport and labour. The lack of coal is the main problem in the North as it is of vital importance to Italian economy. All industries are dependent on this fuel in some way or another and normally ITALY had to import more than one million tons of coal a month. At the present time only about 300,000 tons of coal a month are scheduled for ITALY and even this supply is uncertain. Employment in the industries affected, which had in times of peace a payroll of nearly five and a half million, will be seriously endangered and a consequent unemployment of four to five million may easily result. Many plants which have raw material available have already been forced to close or to reduce production from lack of coal.

29. Cement requirements for the whole of ITALY can now be produced if coal is made available.

30. Arrangements have been made for the shipment of about 500 tons of M.T. spares from ALEXANDRIA and 800 - 1,000 tons from ERITREA. AFHQ has been asked to release a portion of the 300,000 discarded tyres held in ALEXANDRIA.

31. 44,000,000,000 matches are available in Northern ITALY and, once movement has been arranged, rationing will not be necessary in Southern ITALY. Production capacity for matches and raw materials are adequate to meet ITALY's needs with a possible surplus for export.

LABOUR SUB-COMMISSION.

32. Allied Military Government administration of labour in SICILY, LOMBARDIA, LIGURIA, PIEMONTE and VENEZIA was established during the month. Industrial plant and establishments were found to be in good condition but shortage of coal and supplies, the return of refugees

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33. Wages are lower in Northern ITALY but prices are rapidly rising and demands for wage increases are bound to develop. In BOLOGNA one wage increase has already been approved.

34. In Central and Southern ITALY wage increases continue to be negotiated in various districts, no serious trade disputes have occurred and the Italian General Confederation of Labour has launched a campaign with a view to reducing the cost of living. Adjustments of the Armed Force Wage Scale to conform with prevailing rates in private industry have been made in ROME, NAPLES, BARI, SALERNO, TERNI and PALERMO.

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PUBLIC WORKS AND UTILITIES SUB-COMMISSION.

35. Highways in Northern ITALY are in fair condition and it is not anticipated that serious difficulties will be encountered in repairs and maintenance; temporary bridges or diversions have been made on all principal routes.

36. Public utilities in Northern areas have not been seriously impaired and repair work is well in hand.

37. It is estimated that nearly 400 Communal Housing Committees are now organised and working and a total of 17,739 housing repair projects have been started and 8,573 completed. The value of work on housing to the end of May amounts to 1,859 million lire.

38. The total number of bridges completed is 1,652.

39. Ample electric power is available in the whole of the Northern area. About 10% of the generating plants were damaged but half of these will be repaired within the next three months.

TRANSPORTATION SUB-COMMISSION.

40. The transport situation in Northern ITALY is better than had been expected but will need a considerable amount of reorganisation, particularly road transport.

41. On the cessation of hostilities the movement of refugees and displaced persons became a major problem, throwing a heavy strain on rail, road and shipping transportation. By sea, the Italian cruiser "GARIBALDI" was allocated to a shuttle service between PIOMBINO and MESSINA; she completed two voyages during the last week of the month, carrying about 1,000 repatriates for SICILY each time; two Italian torpedo boats each carried 100 persons on the same run. By rail, the major movements of displaced persons were from FLORENCE and FORLI to ROME and South of ROME; during the month 66 special trains were dispatched carrying a total of 68,902 persons. Meetings have been held with SHAEF and other headquarters to regulate the flow of refugees from North of the ALPS to ITALY.

42. Following the establishment during April of regular coastwise sailings under the control of Comitato Gestione Navi (COGENA), the former bidding procedure for movement of stores by sea has been discontinued with the exception of bids which cannot be met by tonnage under the control of COGENA. All bids for movement during the month have been met, and the total coastwise tonnage lifted amounted to 56,606 tons, including schooner traffic which carried about 21,810 tons of this total.

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43. Figures for the latest four-week period for which statistics are available show that 206,961 tons were moved by rail on the mainland of ITALY, including traffic moving from SICILY to the Mainland.

44. Arrangements have been made to complete the transfer of about 4,500 trucks to the Italian Government. This transfer will be effected in three groups, the first being captured equipment now operated in SICILY, the second, War Department trucks operated in truck pools throughout liberated ITALY numbering about 1,100 and the third consisting of 2,000 new trucks being shipped from the UNITED STATES. The transfer of the first two groups should be completed within one month while the Italian Government will take delivery of the third group at the rate of 200 a week.

45. It is hoped that a three times weekly passenger service ROME-ANCONA, ROME-ANCONA and ROME-BOLOGNA will commence on 4 June.

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PART IV

PUBLIC RELATIONS BRANCH AND INDEPENDENT SUB-COMMISSIONS

PUBLIC RELATIONS BRANCH

1. The Branch in meetings with G-5 Section IV Corps and the CLNAI at MILAN, helped overcome difficulties incident to republication of the Corriere della Sera, former fascist newspaper which, it was finally agreed, would be published under the name of Corriere d'Informazioni. The paper's first issue came out on 22 May. The Temporary Film Board approved Italian sponsored film legislation with minor changes and blocked all raw film stocks in the North, setting up procedure to prevent the materials from falling into the hands of speculators.

2. Approximately twenty five regular press releases were written and distributed to regular outlets. The OWI Photographic Section also covered, as a standard operating procedure, the picture possibilities of all A.C. press releases and distributed its photographs to more than fifty outlets, giving the Commission a most effective avenue of publicity. Approximately sixty home-town releases on U.S. personnel, issuance of which is a requirement of the U.S. War Department Bureau of Public Relations, were written, the total number issued to date amounting to more than four hundred.

NAVY SUB-COMMISSION

3. In response to a request from the Italian Ministry of Marine, the Allied Naval Commander-in-Chief, Mediterranean has agreed to the return of a portion of NAPLES Harbour to Italian Government control. One discharge berth has been released without restriction and three berths have been released on Pontile Vigliena, subject to the right of Allied Naval authorities to use one berth whenever it is required for the discharge of Allied tankers.

4. The Allied Naval Commander-in-Chief has made available one Italian cruiser and several smaller Italian naval vessels for the purpose of transporting refugees and displaced persons from the Northern Italian areas to SICILY and SARDINIA.

5. On 23 May Italian Naval Control Service Officers were appointed to duty in the ports of CIVITAVECCHIA, PIOMBINO and MADDALENA. Directives to these officers were issued on their responsibility to the Italian Naval Officers in Charge for the safe routing of all Allied merchant vessels leaving these ports.

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2. Approximately twenty five regular press releases were written and distributed to regular outlets. The CWI Photographic Section also covered, as a standard operating procedure, the picture possibilities of all A.C. press releases and distributed its photographs to more than fifty outlets, giving the Commission a most effective avenue of publicity. Approximately sixty home-town releases on U.S. personnel, issuance of which is a requirement of the U.S. War Department Bureau of Public Relations, were written, the total number issued to date amounting to more than four hundred.

NAVY SUB-COMMISSION

3. In response to a request from the Italian Ministry of Marine, the Allied Naval Commander-in-Chief, Mediterranean has agreed to the return of a portion of NAPLES Harbour to Italian Government control. One discharge berth has been released without restriction and three berths have been released on Pontile Vigliena, subject to the right of Allied Naval authorities to use one berth whenever it is required for the discharge of Allied tankers.

4. The Allied Naval Commander-in-Chief has made available one Italian cruiser and several smaller Italian naval vessels for the purpose of transporting refugees and displaced persons from the Northern Italian areas to SICILY and SARDINIA.

5. On 23 May Italian Naval Control Service Officers were appointed to duty in the ports of CIVITAVECCHIA, PIOMBINO and MADDALENA. Directives to these officers were issued on their responsibility to the Italian Naval Officers in Charge for the safe routing of all Allied merchant vessels leaving these ports.

LAND FORCES SUB-COMMISSION (MMIA)

6. The moving of the Security Control Line to the R. PIAVE and the Prohibited Frontier Zone has enabled 50,000 Italian soldiers of the older classes to be demobilised and returned to their homes. Leave has also been granted for those with homes in Northern Provinces.

7. Owing to the fact that large numbers of Italian troops employed mainly by the UNITED STATES are becoming surplus, further call-up has been temporarily suspended. Surplus service personnel of demobilizable age will be sent home and others re-allocated to other categories. The U.S. policy of employing PWs and cooperators as service troops has released large numbers of Italian soldiers for re-employment. Patriots may volunteer for the Italian Army and, although it is not possible to enlist these men in bands, every effort is being made to keep friends in the same units.

8. Much Italian/...

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8. Much Italian Army property has been located in Northern ITALY, some of it in the hands of the patriots.

9. Units of the Italian Army are being employed on internal security duties such as guarding the BRENNER PASS and assisting in guarding German PWs held by the British.

10. During the month a reduction was made in the reinforcement holdings for the Italian Army. The previous percentage of 25% for combat troops and 5% for Service units has now been reduced to a 5% total all round holding.

11. An initial transfer of 3,000 manpower spaces from BR-ITI category to CC.RR was authorised by AFHQ.

AIR FORCES SUB-COMMISSION

12. Up till the capitulation of the German armed forces on 8 May the Italian Air Force continued operations on a scale comparable with the previous month. A detachment of 6 SM.82s transport aircraft assisted the Desert Air Force in following up the rapid forward movement of the EIGHTH Army in its closing stages of the campaign, by transporting POL and DID rations from RAVENNA to LAVARIANO. A signal of appreciation of the efficiency with which these operations were carried out was received from the A.O.C. Desert Air Force.

13. The six squadrons previously under command of B.A.F. have now been handed back to the operational control of this Sub-Commission. A letter from A.O.C. Balkan Air Force expressing his thanks for the keenness and spirit shown by these Italian squadrons has been received.

14. Between the period of the cessation of hostilities and the announcement of peace terms, flying will be restricted and controlled for all fighters and trainers; load-carrying aircraft including light bombers and seaplanes will be used for the extension of existing courier transport services; the Air-Sea Rescue Service with seaplanes and high speed launches will be continued and probably extended.

15. Primarily for the benefit of A.C. the land plane services to MILAN, TREVISO and BOLOGNA were opened, which have helped considerably in overcoming the shortage of transport. Regular time schedules have been run.

16. The strength of the I.A.F. is still about 3,000 below the ceiling of 51,000 and every effort is being made by the Directorate of Personnel to

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11. An initial transfer of 3,000 manpower spaces from RR-III category to CC.RR was authorised by AFHQ.

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16. The strength of the I.A.F. is still about 3,000 below the ceiling of 31,000 and every effort is being made by the Directorate of Personnel to stimulate recruiting, chiefly by means of recruiting posters which are being displayed on a liberal scale.

17. Large supplies of much needed spares have been discovered in the North. Official reports indicate that there are sufficient spares to maintain all aircraft of the I.A.F. and authority has been sought for sufficient quantities of these spares to be issued. There is no POL available from these sources and the number of complete aircraft found in the North has been small.

COMMUNICATIONS/.....

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COMMUNICATIONS SUB-COMMISSION

18. Re-establishment of local services for all essential needs in Northern ITALY was effected during the month.

19. Inter-urban cables and equipment were sufficiently damaged to prevent resumption of telephone and telegraph facilities between the North and South of ITALY but this service is expected to be resumed on a limited scale during June.

20. Mail service throughout the Northern Provinces and between Northern and Southern ITALY has been restored on a limited scale and cablegram and radio facilities with the UNITED STATES and UNITED KINGDOM were resumed on 4 May. Foreign mail service was opened with HOLLAND and LUXEMBOURG.

WAR MATERIAL DISPOSAL AND ITALIAN PRISONER OF WAR SUB-COMMISSION

War Material Disposal.

21. The collection of vehicles and weapons in the newly liberated Northern areas began immediately hostilities ceased.

22. Considerable stores of material have been taken over by the Armies. This material includes machine tools, clothing, silks, spirits, motor car spares, tyres and tubes which, awaiting the opportunity of removal into GERMANY, had been stored by the Germans in caves and tunnels in ITALY. Lists of this material are being made by representatives of A.C.

23. Salvaged material amounting to 11,500 tons, offered by American and British Army sources, was disposed of through the Allied Commission and Italian Ministry of Industry and Commerce. About 20-30 thousand salvaged tyres were offered by British salvage from TORRE ANNUNZIATA and steps are being taken to have these despatched to Pirelli Works, ROME, for inspection and retreading. 2-4 thousand of these tyres have been retained by the Allied Commission to be used in connection with the anti-malaria campaign.

Italian PW.

24. It has been agreed that 35,000 IPW from AMERICA will be despatched to ITALY at the rate of 10,000 a month commencing 1 July. During May 4,100 IPW were repatriated, the majority of which were sick and wounded.

25. On the cessation of hostilities large numbers of ex-Italian PW from GERMANY poured over the frontier into ITALY. Displaced persons camps were cleared for the reception of the Italian ex-PW in the initial stages and small

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26. General MANNERINI, Autonomous Office of War Veterans and Repatriated Prisoners of War, showed great initiative and expended much energy and hard work in getting teams organised to handle difficult problems in FLORENCE, MILAN and BOLZANO.

Ellery W. Stone

ELLERY W. STONE
Rear Admiral, USNR
Chief Commissioner

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